



INDIANA COMMISSION *for*
HIGHER EDUCATION

Reverse Transfer: Context and Policy Guidance

A Report in Response to House Enrolled Act 1281-2017

November 1, 2017

Legislative Charge

In early 2017, the Indiana General Assembly charged the Commission for Higher Education to “study and make recommendations regarding the benefits of a reverse transfer policy for Indiana students” by November 1st of the same year.¹ While several Indiana state educational institutions have signed reverse transfer degree agreements between themselves, not every institution has done so, and there is no statewide policy in effect. The following report summarizes the study’s findings and provides subsequent recommendations.

Background

Educator and Validator

Among other functions, colleges have historically provided two separate services: education (through courses and other learning opportunities) and validation of education (through degrees, certificates, and credits).

These services are often conflated but are very much distinct. Someone who holds a degree from Vincennes University, for example, could have received a significant portion of their college education outside of Vincennes. Likewise, a person who received much of their education from Vincennes might receive a degree from a different university. The transfer student experience is possible because of the distinction between colleges’ roles as educators and validators. If students can transfer college credits, it is only because their new college can verify the quality of those credits.¹

This distinction is what makes possible transfers, reverse transfer degrees, dual credits, AP exams, prior learning assessments, and other common educational practices. Increasingly, students attend multiple colleges or gain important knowledge and skills through other sources such as the workforce and military. The nature of college is also changing – workers will need to seek continuing education to keep up with technological advancements. Degrees and certificates must adapt to these new educational pathways where they can. Where they cannot, they must be complemented by new ways to measure and validate education.

Transferability

The conventional transfer process and its tools no longer meet the needs of all students. It moves in one direction: from the old college to the new college, using a transcript that has not substantially changed

¹ The distinction between educator and validator is well-understood in other industries. For example, a driver’s license issued by the Indiana Bureau of Motor Vehicles validates that an individual has acquired an appropriate level of knowledge and skills to operate a vehicle. Yet that license does not specify whether the license holder received formal or informal driver’s education, nor does it even specify that the driver’s education took place in the Hoosier State. Though not a perfect analogy to a college degree, a driver’s license is simply evidence that an individual has somehow, somewhere, and at some point learned the necessary material and has met all relevant requirements.

since the invention of the credit hour. A common refrain among human capital experts is that knowledge is the currency of the 21st Century. Taking it a step further, the banknotes of this currency – credits, credentials, and verified competencies – must operate in a well-regulated but free market: one in which they can be easily counted, transferred, and exchanged backward and forward. Meanwhile, transcripts, the balance sheets of knowledge, must be easily shared, frequently updated, and include all relevant information.

One way to meet the needs of modern students is through reverse transfer degrees. Reverse transfer degrees are aimed at students who left a college before receiving a degree, but who, after leaving, completed all requirements for the degree. Reverse transfers are most often used for associate degrees, which typically require 60 credit hours, though they can be used for other degrees and credentials. With a reverse transfer policy, if, for example, a student starts at Ivy Tech Community College, earns 30 credits, transfers to University of Southern Indiana and earns another 30 credits, that student could “reverse transfer” her credits back to Ivy Tech and receive an associate degree from Ivy Tech.

The need for better transferability does not mean that all college degrees or all college educations are interchangeable: they are not. Each college is unique, with its own strengths, students, and experiences. Each college degree, at least to some extent, reflects the distinct experiences, expectations, and connections offered at that college. A college degree signifies intangible characteristics or knowledge that students have honed over time, such as perseverance, good study habits, or compliance with an honor code. There is value in recognizing these unique and intangible aspects of an education.

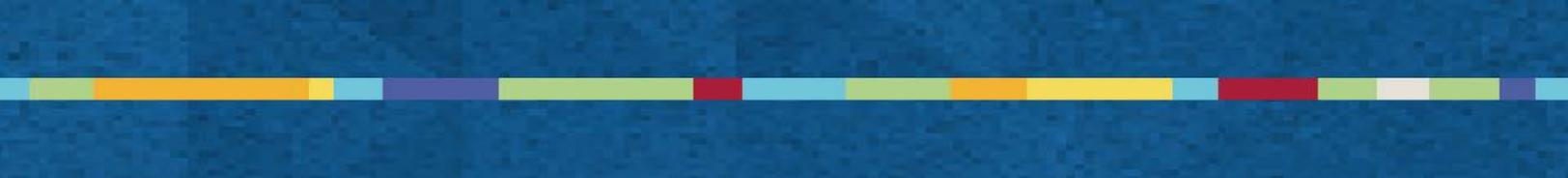
Understanding the distinction between, and developing policies for, a college’s dual roles as educator and validator is vital to navigating higher education in the 21st Century.² This report will study how reverse transfer degrees fit within these dual roles and will make several recommendations based upon the discussion and findings.

Transfer Student Trends

The college experience of today is not the one that is typically reflected in popular culture. Most college students do not come straight from high school. Many students balance their educations with work, child care, and other responsibilities. College students frequently transfer or may “stop out” for several years before returning to college.

Today, nearly half (49%) of students nationwide who earn a bachelor’s degree spend at least some of their college years at a community college. Roughly a quarter of all first-time students at Indiana public colleges will transfer at least once within six years.ⁱⁱ In Indiana, 32% of 2015-16 bachelor’s recipients had been enrolled at a two-year public college at some point in the past ten years.ⁱⁱⁱ Among bachelor’s earners who had previously enrolled at a community college, nearly two-thirds had spent at least three terms at a community college.^{iv} Transfer students are less likely to complete a degree or credential within six years than their peers who did not transfer.^v In sum, transfer pathways are a key part of the

² It was also vital to navigating higher education in the 17th and 18th Centuries. The first college graduates in the American colonies, in 1642, received no diplomas. Colleges provided education but rarely needed to issue proof of that education. For over a century, if a graduate needed verification of their education, they would have to hire a calligrapher to create a custom diploma and pay faculty to sign it. Only much later did diplomas become standard issue. (Mitchell, Stephanie. *History by Degrees*. Harvard Gazette, May 22, 2014.)



modern higher education landscape, and improving these pathways can have a wide impact on students who are more likely to struggle to earn a degree. One such pathway is the reverse transfer degree.

Reverse Transfer Overview

Description of Reverse Transfer

Reverse transfer is the practice of awarding a degree to an individual who left or transferred from a college before earning the degree, but who, after leaving, fulfilled the degree requirements from that college. In other words, credit is transferred back (“in reverse”) to the former institution for the purpose of awarding a degree. A student who earns a reverse transfer degree (usually, an associate degree) might currently be enrolled at a four-year institution or might not be currently in college at all. In short, reverse transfer degrees have three basic requirements: 1) the student used to attend a specific institution, 2) the student does not currently attend that specific institution, and 3) if the student was currently enrolled in that institution, they would be eligible for a degree.

Reverse transfer proponents sometimes refer to the practice as “degree reclamation.”³ Regardless of when and where college credit is earned, advocates say, if students meet the requirements for a degree, they should be awarded the degree. Proponents claim reverse transfer resolves inconsistencies in current degree practices. In the absence of reverse transfer, students who begin at a four-year institution and transfer to a two-year institution can receive an associate degree, but students who transfer in the opposite direction, even if they take the same set of courses, often cannot receive an associate degree.

In economics this is known as arbitrage: college credits can equal an Ivy Tech degree in one place, but the same credits do not equal an Ivy Tech degree somewhere else. Arbitrage is a surefire sign of an inefficient system. Reverse transfer practices can help improve the efficiency of Indiana’s higher education.

Examples of Reverse Transfer

Two hypothetical examples might help show the relationship between conventional transfers and reverse transfers: Joe Hoosier is a student at Indiana State University. After his freshman year, he transfers to Ivy Tech. He transfers in all his credits, so that after one year at Ivy Tech, he receives an associate from Ivy Tech. Joe Hoosier has followed a conventional transfer pathway. Jane Hoosier, on the other hand, starts at Ivy Tech and then transfers all her credits to Indiana State. Although Jane has taken the same courses as Joe, she has taken them in a different order. She is no longer an Ivy Tech student and cannot receive an associate degree through the conventional process. To receive an associate, Jane Hoosier must reverse transfer her Indiana State credits to Ivy Tech. With a reverse transfer agreement,

³ Until recently “reverse transfer” was sometimes used to refer to students who transfer from a four-year institution to a two-year institution. That definition connotes a negative image of community colleges and should not be used. In this report, “reverse transfer” refers to transferring credits back to a previously-attended college, regardless of whether that college was a two-year or four-year.

Jane does not have to re-enroll at Ivy Tech, she just needs to show that she would have qualified for an associate if she had earned the credits in a more conventional sequence.

Joe Hoosier

	Indiana State University	Ivy Tech Community College	
	Credits Earned at Indiana State	Indiana State Credits Transferred into Ivy Tech	Credits Earned at Ivy Tech
Year 1	30 credits		
Year 2		30 credits	30 credits
RESULT	Associate Degree from Ivy Tech		

Jane Hoosier

	Ivy Tech Community College	Indiana State University	
	Credits Earned at Ivy Tech	Ivy Tech Credits Transferred into Indiana State	Credits Earned at Indiana State
Year 1	30 credits		
Year 2		30 credits	30 credits
RESULT	60 Credits (But No Degree Unless There is a Reverse Transfer)		

Reverse transfer can involve more than two colleges. Suppose Jane Hoosier transferred from Ivy Tech to Indiana State to Indiana University East: she could reverse transfer credits from the latter two back to Ivy Tech. Perhaps in the not-too-distant future, reverse transfer could be done with only one college: Jane Hoosier could have gone straight into the workforce after her one year at Ivy Tech, and, through Prior Learning Assessments, earn enough credits for a degree.⁴ For nearly any educational pathway, if Joe Hoosier would have earned a degree by taking the same steps in a different order, then Jane Hoosier can earn the degree through reverse transfer.

Of course, there are some restrictions on reverse transfer, and this report will explore several of them in subsequent sections. For now, the first restriction to note is that reverse transfer degrees are just like any other degrees and must follow all relevant laws, requirements, and guidelines.

Number of Hoosiers Potentially Affected

Regardless of restrictions, reverse transfer policies have the potential to have a significant effect on Hoosier students. Roughly 712,000 working-age Hoosiers have earned some college credit but no college degree. If even two percent of that group were eligible for a reverse transfer degree, they would be more than the total number of associate degrees that state educational institutions produced last year.^{vi}

A CHE analysis observed recent students – those who attended Indiana public institutions at some point from 2010 to 2016 – to determine how many might be eligible for a reverse transfer associate degree. The analysis looked at those who were enrolled at least some of those seven years, had earned at least

⁴ Prior learning assessments, or PLA, are typically designed for adults who have learned skills and knowledge through workplace or life experiences rather than college courses. PLAs are tests or portfolios that students can take to earn college credit, much like an AP exam. Military and experienced workers are often beneficiaries of PLA.

15 credits with at least a 2.0 GPA at Ivy Tech or Vincennes and went on to transfer and reach at least 60 cumulative credits while enrolled at a different institution. Based on those parameters, there were about 11,500 students who were eligible for a reverse transfer associate at some point during the 2010-2016 period, and 7,000 of them were still eligible at the end of 2016. (Those who were no longer eligible for reverse transfer had likely gone on to earn an associate or bachelor's degree through conventional means.) The analysis suggested that, each year, Indiana has a net increase of roughly 1,000 Hoosiers who are likely eligible for a reverse transfer associate degree.

Since 2013, Ivy Tech has awarded reverse transfer degrees to these Hoosiers. This is made possible by reverse transfer data share agreements that have been signed between institutions. As of October 2017, Ivy Tech has awarded 321 reverse transfer associates to former students.^{vii}

Recent Developments in Reverse Transfer

Reverse transfer degrees are growing both in Indiana and nationwide. The past decade has seen large scale investments in reverse transfer programs. In 2012, several large foundations began a partnership with an eventual fifteen states to launch the Credit When It's Due (CWID) initiative.^{viii} The stated goal of CWID was to help grow and expand reverse transfer degree programs in each partner state. Two Indiana-based philanthropies, Lumina Foundation and USA Funds (now Strada Education Network), joined with the Bill & Melinda Gates, Greater Texas, Helios Education, and Kresge foundations on these efforts.^{ix}

Early studies of the CWID initiative found that, through reverse transfer degrees, most participating states increased the annual number of associates conferred. Results did vary, however: New York awarded no reverse transfer degrees over the two-year study period (likely due to complicating factors), while Hawaii experienced an 18 percent growth in associate production due to reverse transfer. All other states saw increases of less than five percent over the two-year period.^x

Similarly, Project Win-Win was launched in 2010 to identify individuals who had accumulated enough college credit for an associate degree but who had left college without ever receiving a degree. The initiative, led by IHEP and SHEEO,⁵ worked with 61 colleges across nine states to find former students. Individuals who were eligible for degrees were contacted and awarded degrees. Individuals who were "within striking distance" of a degree – just a few credits short – were encouraged to re-enroll and complete.^{xi}

Over the course of three years, Project Win-Win identified 42,000 former students with about 60 credits but no degrees. After auditing the transcripts of each former student, the initiative found that 6,700 (nearly 16 percent) were eligible for an associate degree from their former college. In addition, Project Win-Win helped re-enroll 1,700 former students who were just a few credits shy of earning a degree.^{xii}

Neither CWID nor Project Win-Win included Indiana, which suggests the Hoosier State may still have "low-hanging fruit" when it comes to reverse transfer degrees.

A recent analysis of both CWID and Project Win-Win identified four shared aspects of the initiatives: effective usage of transcript and other student data to identify potential beneficiaries; auditing of this

⁵ The Institute for Higher Education Policy is a nonpartisan, nonprofit organization. The State Higher Education Executive Officers, of which CHE is a member, is a national organization for states' higher education officials.

data to determine students' eligibility for degrees; engaging with and advising students on their options; and eliminating procedural barriers to degrees such as graduation fees.^{xiii} Similarly, over the course of this CHE reverse transfer study, conversations with representatives of state educational institutions identified several questions related to the first three aspects. Specifically, these questions dealt with data share agreements, data capacities, and student consent and control over the process. These items will be covered in more depth later in the report.

Benefits of Reverse Transfer

Benefits to Students

Advocates of reverse transfer often point to the importance of having a degree when seeking employment.^{xiv} Unemployment rates are typically lower for those with a college degree. Even those who are already employed may receive promotions or pay raises once they earn a degree.

The Georgetown Center on Education and the Workforce (CEW) estimates that, when compared to those who have some college credit but no degree, associate earners make nearly \$200,000 more over their lifetimes.^{xv} Earning a degree is especially valuable to women and minority workers. The CEW report found that when educational attainment is held constant, women earn less than men and African Americans and Latinos earn less than Whites and Asians. On average, to earn the same lifetime earnings as a male with a high school diploma, a female must have at least an associate degree.^{xvi}

Kalamazoo Valley Community College in Michigan describes the benefits of reverse transfer in this way:

“Reverse transfer provides students with an opportunity to add a marketable credential to their resume that will help give them an edge in the workforce. Obtaining an associate degree also allows students to receive full credit for their academic achievements. Students who receive their associate's degree are more likely to finish their bachelor's degree, increase their earning power, and increase their hire ability by showing competency and a dedication to finishing an educational milestone.”^{xvii}

Not all students who successfully transfer from a community college to a four-year university will manage to graduate from the university. College is academically challenging and, in addition to those challenges, life events can get in the way. Some credits might not transfer.^{xviii} Transfer students may find that their new universities simply are not a “good fit” and may end up taking longer than anticipated to earn a bachelor's or might drop out altogether. Greg Morris, Vice President of Academic Affairs at El Centro College in Dallas, Texas, writes:

“...although articulation agreements, state-mandated general education core curricula, and meta-major and other guided pathway efforts can promote timely completion and transfer, far too many four-year university degree programs and services are naturally designed with the traditional freshman in mind and not the transfer student. Extensive pre-requisite courses in the major that require a series of courses at the freshman through the senior level, math courses that are unique to each specific major, and other university-specific courses not

available at the community college, can many times add significant years of course work requirements for the transfer student who transferred 60 or more transferrable credits.”^{xix}

Even if they never expect to use it, having an associate degree can make a difference for those students who do not earn a bachelor’s degree. Rather than an “all or nothing” scenario, reverse transfer offers the chance at an “all or something” outcome.

Reverse transfer may be especially beneficial to military personnel and veterans. Service members frequently move and may accumulate college credits from several locations. Moreover, military training and experiences can count towards college credit, meaning that military experiences can be reverse transferred for a college degree. For example, the American Council on Education provides guidance to over 2,300 colleges on how to evaluate and award credit for the Joint Services Transcript (used by the Army, Marine Corps, Navy, and Coast Guard).^{xx}

Benefits to the State

A reverse transfer policy can be beneficial to the state’s economy. By ensuring that Hoosiers are awarded the degrees they have earned, reverse transfer increases the number of workers with verified skills and knowledge. Residents with degrees have an easier time finding employment, which improves the overall economic climate. These workers may already have the right skills, but without a way to document these skills, they often cannot get past the first round of a job application. Having a college degree changes this. Because adults with degrees have higher rates of employment and higher incomes, policies that increase the number of Hoosiers with college credentials can have a positive impact on the state’s tax base as well.

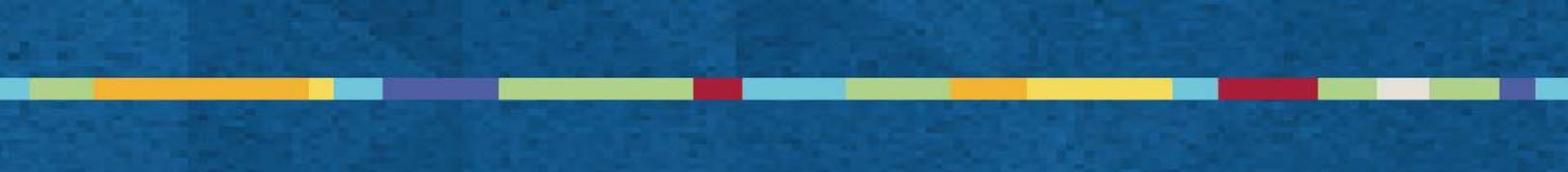
Reverse transfer policies can help close attainment gaps. Low-income students and students of color are less likely to stay enrolled and graduate than their peers.^{xxi} Thus, these students may be more likely to benefit from reverse transfer policies. Closing educational attainment gaps is a high priority for the state and can have a multi-generational, positive effect on the state’s economy and quality of living.

The State’s Role in Transfer Policy

Before CHE considers recommendations, it may be helpful to discuss the State of Indiana’s role and responsibilities in developing college transfer policies.⁶

In recent years, Indiana has embraced policies related to transfer credits that reduce redundancies and encourage a student-friendly, cost-efficient transfer ecosystem. This report does not attempt to interpret the will or intent of the General Assembly. However, whatever the intent may be, the General Assembly has generally adopted policies that have the effect of reducing barriers to transferring. Indiana Code directs state educational institutions to “accept the transfer credit of an appropriate course successfully completed by a student at another state educational institution having the same level of accreditation...”^{xxii} Senate Enrolled Act 182 (2012) provides further guidance on transferring by calling for the establishment of the Statewide Transfer General Education Core and ensuring the transferability of courses in it.^{xxiii}

⁶ The reverse transfer policies of several other states are highlighted in the appendix.



The Statewide Transfer General Education Core is a collection of courses that can be taken at and transferred to any Indiana state educational institution.^{xxiv} Students who complete the General Education Core (30 credits or about 10 courses) with a GPA of 2.0 or higher before transferring do not need to take any of the General Education Core courses at a new institution. Although the creation of the General Education Core was mandated by the General Assembly, the particular courses and competencies in the General Education Core were determined by a leadership team with institutional and faculty input.^{xxv} This process establishes a blueprint in which the State sets the overall direction and guidelines for statewide transfer policies and all stakeholders are responsible for ensuring these policies are implemented in ways that maintain academic rigor.

The State of Indiana further facilitates transferring between institutions by maintaining the Core Transfer Library (CTL). The CTL are courses (88 as of mid-2017) offered by one public institution that transfer to all other public institutions, often as exact, one-for-one equivalents at the receiving institution.^{xxvi}

Indiana Code establishes the State's role in reducing unnecessary barriers to earning a college degree. For example, by law, if the same or similar course is offered at both a regional campus and a home campus, students at a regional campus cannot be required to take the course at the institution's home campus.^{xxvii} In addition to legislation, CHE studies higher education issues and promotes student-friendly practices, some of which have focused on transfer students. Each biennium, Indiana invests hundreds of millions of dollars in financial aid to help students afford college. Several of the State's financial aid programs create requirements or incentives for students to make continuous progress toward a degree or to do so in an efficient manner. These initiatives and others show why the State has an interest in ensuring students earn degrees as efficiently as possible and that they receive the degrees they have earned.

Through legislation and general practices, the State has established a significant role in shaping and encouraging student-friendly transfer policies. Policies that help students smoothly transfer credits toward a degree can improve the student experience, decrease the risk of students dropping out of college, can help students graduate faster, can save students money, and can provide economic benefits to the State through reduced costs and a larger tax base. To the extent that a reverse transfer policy promotes these ends, the State has an interest in encouraging it.

Institutional Roles in Reverse Transfers

Institutions Awarding a Reverse Transfer Degree

Indiana Code directs state educational institutions to accept transfer credit, but do institutions have to award reverse transfer degrees? Statute gives state educational institutions wide latitude in the awarding of degrees and certificates. IC 21-41-5-9 states that Ivy Tech Community College leadership may bestow certificates and associate degrees to "students who complete prescribed and authorized courses or series of courses." Similarly, IC 21-41-7-4 states that Vincennes University personnel may grant a degree if they believe that a student's "proficiency in learning" entitles the student to a degree. Similar language applies to other state educational institutions.

Through statute and general practice, the State of Indiana has long held that, with a few exceptions, degree requirements are often best left to the institution awarding the degree. This allows for more freedom to innovate. Institutions have made use of this freedom by offering reverse transfer degrees.

Other than how and when transfer credit is counted, there is no difference between degrees awarded by reverse transfer and degrees earned through other means. Therefore, no institution may award a reverse transfer degree unless a student can currently earn that degree without going through the reverse transfer process. Only Ivy Tech and Vincennes may offer a reverse transfer associate degree. Nor may an institution award a reverse transfer degree in a program of study other than those it currently offers.

An exception to this is the institution referred to as Purdue New University (NewU). The institution is the result of Purdue's purchase of Kaplan University in 2017. At the time of publication of this report, CHE, the Higher Learning Commission (HLC), and NewU itself, along with other entities, are in the midst of several fact-finding discussions and approval processes. For NewU, several significant decisions (including a permanent name), must still be made. Out of precaution, this report recommends that for the time being, NewU be prevented from awarding reverse transfer degrees to Indiana residents.

Although institutions can be expected to work together to encourage reverse transfer, no institution can be forced to award a reverse transfer degree. The same laws that allow institutions wide latitude in awarding reverse transfer degrees also allow colleges to choose not to award degrees. Institutions can even adopt campus-wide rules that prevent reverse transfer. For example, institutions in Indiana and elsewhere sometimes require the last batch of credits before a degree be earned at that institution. At these institutions, reverse transfer is not possible without a waiver.

Institutions Not Awarding a Reverse Transfer Degree

The institution that awards a reverse transfer degree has the biggest responsibility for the process, but other institutions also play a role. They must responsibly exchange data and help ensure that reverse transfer degrees are high quality. A reverse transfer degree is "cobbled together" from multiple institutions and relies on the accurate and efficient exchange of information between these institutions. Institutions can and should be expected to vouch for the quality of their own courses, and the institution that awards the reverse transfer degree must be able to validate all transferred credit. This can be done by following the same rigorous process institutions follow for conventional credit transfers.

Maintaining Quality

Some critics of reverse transfer degrees fear that they might dilute the overall quality of postsecondary degrees. By granting a degree, an institution is essentially vouching for the education of a student. This means that, for the sake of the institution's long-term success, there is a strong incentive for the institution to establish and maintain a level of rigor for their degrees – including reverse transfer degrees.

Reputation and Surveys

Of course, there are some external checks on the quality of degrees and certificates. The Commission for Higher Education recently launched the College Value Index (CVI). The CVI provides useful, relevant, and standardized data to the public to help inform Hoosiers about the quality of our colleges. The CVI will continue to evolve to meet the public's needs. The Commission also approves all academic programs offered at public institutions in Indiana. This approval process considers aspects such as quality, demonstrated need, and institutional mission.

Quality can also be assessed through peer evaluations, such as through the Multi-State Collaborative, in which faculty members evaluate coursework at other institutions using common rubrics.^{xxviii} In addition, surveys of students, alumni, and employers can provide feedback on how well a college prepares students.

Financial Incentives

Funding also plays a role in maintaining academic quality. Through financial aid programs such as the Pell Grant, the federal government is the largest investor in our nation's public and private colleges. In attempts to "protect students and taxpayers," the U.S. Department of Education previously has established guidelines and requirements that institutions must meet to access to federal aid.^{xxix} For example, Gainful Employment rules can put an institution on probation or cut it off entirely from federal aid if recent graduates have an average student loan default rate above certain thresholds.

The U.S. Department of Education may also withhold federal funds for other reasons. In 2016, in the wake of multiple ongoing state and federal fraud lawsuits and investigations of ITT Tech and after finding that the institution was "not in compliance" of accreditation standards, the U.S. Department of Education largely cut ITT Tech off from federal aid, precipitating its near-immediate closure.^{xxx} These rules and actions have not been without controversy, but few would argue that the threat of losing access to federal funds is anything other than a powerful motivator for institutions to follow federal guidelines.

Accreditation

The most well-known requirement for federal financial aid involves accreditation. Accreditation is determined by independent entities. Institutions in Indiana are accredited by the Higher Learning Commission. To be eligible for federal financial aid, an institution must be accredited. For most institutions, this is a significant financial incentive to achieve and maintain accreditation.

Accreditors examine several aspects of an institution before issuing accreditation decisions. For HLC, these aspects include institutional mission; ethical and responsible conduct; quality, resources, and support; evaluation and improvement of educational programs; and resources, planning, and institutional effectiveness.^{xxxi} Though not without its critics, the accreditation process helps maintain academic quality.

Student Consent and Data Share Agreements

FERPA

Because reverse transfer combines transcripts from two or more institutions, a reverse transfer of academic information must precede the reverse transfer of a degree. The institution awarding the degree needs to know whether a student has earned the right credits and has met all other obligations. For that to happen, either students must provide verified copies of their academic records, or the institutions must share the information directly with each other.

The institution-to-institution approach is the most efficient process and places less burden on the student. To do so, institutions can sign data share agreements with each other, in which specific information about students are shared between institutions. However, this approach presents data privacy challenges that must be addressed.

The Family Educational Rights and Privacy Act (FERPA) is a federal law that addresses student privacy and rights related to student records. For students who are under the age of 18, parents are given the right to access and control certain personally identifiable information (PII). Once a student turns 18, those rights are automatically transmitted from the parent to the student. FERPA provides guidance on who may access PII, how PII is stored, how long it may be saved, and other considerations. Under FERPA, PII typically cannot be shared without written consent from the affected student or, if appropriate, the parent.

The U.S. Department of Education summarizes FERPA consent rules in the following manner:

Generally, schools must have written permission from the parent or eligible student in order to release any information from a student's education record. However, FERPA allows schools to disclose those records, without consent, to the following parties or under the following conditions (34 CFR § 99.31):

- School officials with legitimate educational interest;
- Other schools to which a student is transferring;
- Specified officials for audit or evaluation purposes;
- Appropriate parties in connection with financial aid to a student;
- Organizations conducting certain studies for or on behalf of the school;
- Accrediting organizations;
- To comply with a judicial order or lawfully issued subpoena;
- Appropriate officials in cases of health and safety emergencies; and
- State and local authorities, within a juvenile justice system, pursuant to specific State law.^{xxxii}

Reverse transfer policies cannot succeed without the transmission of PII from one institution to another institution. Administrators involved with reverse transfer must ensure that all data transmission processes are compliant with FERPA.

Opt-in Consent

The manner in which consent is gained can differ among states or even among institutions. This report identifies two broad ways of gaining consent: opt-in and opt-out. CHE staff define the terms as follows. Opt-in assumes non-consent and provides students the option to participate. Opt-out assumes consent and provides students the option not to participate.

Further, over the course of this study, CHE staff have identified two types of opt-in consent: active opt-in and passive opt-in. Active opt-in is defined in this report as an opt-in system in which no action is taken unless a student has actively affirmed consent (e.g., a student must fill out a specialized reverse transfer form). Passive opt-in is defined in this report as an opt-in system in which no action is taken unless a student consents, but the consent does not need to be actively affirmed (e.g., an admissions application with a pre-checked box which, unless a student unchecks the box before submitting the application, would allow transcripts to be shared).

Consent to Share Data

Reverse transfer degree policies are for the benefit of students, and so policies should make sure to act in students' interests. In addition to FERPA-compliant guidelines for consent to exchange PII, reverse transfer policies should establish guidelines for gaining consent to award a degree. This report will refer to the process of gaining the student's permission to share transcripts or other PII as data sharing consent. This report will refer to the process of gaining the student's permission to confer a degree as conferral consent. These two forms of consent may be issued separately or jointly.

In current practice, Indiana colleges generally gain the two forms of consent separately. Institutions first gain students' consent to exchange transcripts and audit them for reverse transfer degree eligibility. Students who are eligible for reverse transfer degrees are then contacted again to ensure they want the degree and to check the accuracy of vital diploma information.^{xxxiii}

While interpretations may vary, many entities have interpreted FERPA guidelines to mean that data sharing consent must be opt-in.^{xxxiv xxxv} In a letter dated January 20, 2016, the U.S. Department of Education opined that transcripts could not even be shared between two State University of New York (SUNY) campuses for the purposes of reverse transfer without students opting-in. (However, that same letter put forth several potential ways for SUNY to meet their goals while complying with FERPA.)^{xxxvi}

However, the proposed Reverse Transfer Efficiency Act of 2017, introduced by U.S. Representatives Luke Messer (R-IN), Jared Polis (D-CO) and Drew Ferguson (R-GA), would allow for PII to be shared across institutions for the purposes of reverse transfer without a student's consent, as long as no degree is awarded without the student's consent. In other words, this bill would remove the need for data sharing consent but retain conferral consent.^{xxxvii}

Consent to Confer a Degree

This proposed bill underscores the importance of conferral consent. For a variety of reasons, students might not wish to receive a reverse transfer degree. Perhaps they are working towards earning the same degree in a different subject and receiving a reverse transfer degree could affect their eligibility for that other degree or for financial aid.

In the conferral consent model that this report identifies, a student is determined to be eligible for a reverse transfer degree, but no degree is conferred until the student verifies that they wish to receive the degree. The period between the data sharing consent and the degree conferral can be several years, and students may change their minds over this time. The conferral consent model gives students one last opportunity to confirm that they indeed want the degree.

The conferral consent model can be contrasted with an automatic conferral model, in which any eligible student receives a degree whether they want it or not. In an automatic conferral, once a student's transcript information has been exchanged, a degree can be awarded with no further student involvement. This model could be especially problematic if FERPA is amended or if other workarounds are found so that students do not have to consent to sharing PII – if this were the case, then a student would have virtually no control over being awarded a degree. For these and other logistical and practical reasons, the automatic conferral model does not appear to be used among Indiana institutions.

Transfer Credits

Residency

In its Policy Book outlining the accreditation process, HLC provides guidance on the number of credits that should be earned at an institution that is awarding a degree. This is directly relevant to reverse transfer, as reverse transfer degrees are often awarded by combining credits earned at multiple institutions. HLC asserts that institutions should aim to ensure the “coherence and quality” of degree programs. To that end, the HLC Policy Book states:

“Typically institutions will require that at minimum 30 of the 120 credits earned for the bachelor's degree and 15 of the 60 credits for the associate's degree be credits earned at the institution itself, through arrangements with other accredited institutions, or through contractual relationships approved by the Commission. Any variation from the typical minima must be explained and justified.”^{xxxviii}

While HLC's statement allows for flexibility, the statement indicates that institutions should avoid awarding an associate to any student who has not earned at least 15 credits at the institution. Fifteen credits are about one full-time semester and about one-quarter of an associate degree. A student who completes a full-time semester at an institution is often considered to have established “residency” at that institution and is thus eligible to receive a degree from that institution. While 15 may be the typical minimum number of credits to establish residency, an institution may require that additional credits be earned at the institution – regardless of how many credits are transferred in – before awarding a student a degree.

Equivalency

A college should ensure that any credit being transferred in should have equivalency with the credits the college normally offers. State law indicates that the credit should be from an “appropriate course” and come from a college with the “same level of accreditation.” However, the law does not indicate how colleges are to determine what is appropriate or whether colleges need to establish a formal process for determining appropriateness.

HLC guidelines go further, saying that a college should have “a process for ensuring that all courses transferred and applied toward degree requirements demonstrate equivalence with its own courses required for that degree or are of equivalent rigor.”^{xxix} Other entities, such as the American Council on Education, provide guidance to colleges for assessing certain types of transfer credit.^{xl} Colleges may also establish formal agreements with each other or join consortia or compacts that establish guidelines for transferring credit.

Dual Credit

Dual credit courses are “courses taken by high school students that satisfy requirements for earning credits toward both a high school diploma and a college degree. Dual credit courses are taught by regular high school faculty or by regular or adjunct college faculty.”^{xli}

Dual credit programs are designed to help students accelerate their educations. The State makes no distinction between dual credit and traditional college credit – both forms of credit are expected to be equally rigorous. The State encourages dual credit to be counted towards degrees.

However, as in all matters, student intent and must be considered. Many high school students may earn dual credits from a college but have no intention of otherwise attending that college. High school students can have limited choice in which postsecondary institution they earn dual credits from. Someday, it might be commonplace for all Hoosiers to begin their associate degree while in high school, but at this point in time, CHE cannot assume that dual credit students, most of whom are under 18, intend to establish residency at any college. Following that logic, although dual credits should be counted toward degree requirements, they should not be counted toward residency requirements.

Program of Study

Analyses by the Georgetown Center for Education and the Workforce have found that a degree’s program of study can be a significant determinant on a student’s future income.^{xlii} While an associate degree in General Studies may be more desirable than no associate degree at all, reverse transfer policies must recognize that the content area of a degree makes a difference. Students typically cannot receive the same degree level twice, so it is important that they graduate with a desirable major or program of study. A robust reverse transfer policy should balance the benefits of a General Studies associate with the need to encourage students to earn degrees in subjects that can best help them find employment, contribute to their communities, and enjoy a high quality of life. Some students might be eligible for a General Studies degree now, but, with a few additional courses, could earn a more concentrated and potentially more valuable degree. State educational institutions currently engaged in reverse transfer take these situations into consideration when advising students, though such practices are best maintained by monitoring the degrees that are awarded.

Fiscal Implications

Performance Funding

A portion of Indiana's higher education funding is based on institutional performance. Colleges can receive additional funding if they help students move through and complete college – particularly at-risk students or students studying in high impact areas. The history of the State's performance funding formula indicates the General Assembly views this as an incentive to improve institutional productivity.

Reverse transfer degree policies are certainly beneficial to current students and former students. But while they increase the number of degrees produced, they do not necessarily increase any of the underlying productivity that leads to a degree. A reverse transfer degree is useful to a student because the student had already earned the degree, but, due to the vagaries of FERPA and transfer policies, hadn't been able to receive it. Including reverse transfer degrees in the current performance funding formula would likely require a significant restructuring of the formula to accommodate the additional degrees, and, in any event, would seem to contradict the goals of performance funding.

The performance funding formula makes no attempt to measure all the innumerable benefits that colleges provide – nor could it. Instead, the formula focuses on a few key metrics. Reverse transfer degrees are outside of the scope of the present performance funding formula.

Funding for Efficient, Machine-Readable Transcripts

Of course, increasing the number of reverse transfers increases the need for efficiency in exchanging transcript information. A glance at existing reverse transfer agreements shows that transcripts are either expected to be physically mailed or emailed in PDF form between colleges. Once delivered, these transcripts must be individually read and assessed. Most transcript information is relatively standardized. A statewide push to develop machine-readable transcripts (often referred to as XML-compatible transcripts) would benefit all transfer students and other learners. Such transcripts could be more easily updated, shared, and assessed. A switch to machine-readable transcripts would create efficiencies on the institutional and state levels. However, while beneficial to the Hoosiers in the long run, this transition would likely require the State of Indiana and institutions to jointly contribute to some initial start-up funding.

Reverse Transfer and the Measurement of Knowledge and Skills

Knowledge and Skills Can Become Obsolete

In 1977, the U.S. Constitution had only 26 amendments, personal computers were a rare novelty, and the MRI machine did not exist. That year's graduates in political science, computer science, and medicine learned a few facts that are now hopelessly outdated. If these graduates are employed today, it is likely because they continued to learn and gain skills and knowledge outside the classroom. The

value of on-the-job experience and continual learning is not a new concept.⁷ What is new is the speed at which knowledge becomes outdated, the diffusion of educational resources, and the greater need to track and measure this continuing education.

The previous sections of this report described reverse transfer and related practices. This section will discuss emerging trends in higher education that a forward-thinking reverse transfer policy should address.

In the past, when transfers were less common and students' entire educations occurred at the same school, a degree could accurately signify both the unique experiences of that school and the total knowledge a student had gained. Yet this is no longer the case. Some of the knowledge that a degree is validating might have been gained at another college, in the workforce, in the military, from independent study, or elsewhere. More and more students transfer, meaning that they may gain the knowledge that a degree requires but not the unique experiences of a college.

This leaves colleges with a difficult choice: either use their degrees as validation that a student has gone through that college's unique educational experience or use their degrees as validation that a student has gained enough knowledge, regardless of where that knowledge came from.

Comprehensive Student Record

A potential solution, then, is to keep the traditional degree as an indicator of a unique college experience and to develop a comprehensive student record as an indicator of total accrued knowledge and skills. While a degree is static (once it is awarded it does not change), a comprehensive student record can be dynamic: it grows as an individual gains new skills.

This bifurcated solution recognizes that although a degree is static, it retains its central role in higher education. Information may go out of date, but not a degree. A degree reflects the values a college has instilled in its students, or a special brand of thinking or questioning the world. It can convey what type of student someone is. A degree shows that the graduate has received a vibrant and enriching education, even if the graduate occasionally needs to re-educate themselves to keep up with the changing times.

Scott DeRue, Dean of the Ross School of Business at the University of Michigan, compares higher education to the music industry. Although the internet has allowed the public to access and purchase songs in new ways, the demand for live, in-person performances is as strong as ever. The traditional college experience, DeRue says, is the "premium content" of universities. It will still be in demand, it will still have enormous value, and the degree will still validate that a graduate went through this transformative process.^{xliii}

Reverse transfer policies, just like all transfer policies, rely on the validation of what a student learned from previous colleges and educators. On the subject of verifying educations in the face of accelerating knowledge obsolescence, CHE staff make the following interrelated predictions:

⁷ Many professional associations, such as the American Bar Association, even require continuing education. Since the 1960s, Fritz Machlup and other economists have explored knowledge depreciation and knowledge obsolescence and have demonstrated the economic value of continuing education.

- 1.) The faster information and innovations develop, the faster a person's education and training will lose value and the more likely they are to face job changes.
- 2.) The more technological and employment changes that people face, the more training and education they are likely to seek out, and the more sources of training and education they are likely to use.
- 3.) The more knowledge and skills are gained and verified outside of college, the less advantageous a college degree is – unless the degree either incorporates and recognizes the additional knowledge or works in conjunction with a separate, complementary verification system.
- 4.) The more often students return to college, transfer colleges, or acquire training from other sources, the greater the need will be for efficient data sharing processes, seamless transfer policies, and robust reverse transfer policies.
- 5.) These trends will necessitate the development of comprehensive student records that can be continually updated and shared.

Not only are students transferring more often, but they are more likely to return to college in later stages of life and bring with them a lifelong education cobbled together from various colleges, workplaces, the military, coding boot camps, and other sources. These trends necessitate a statewide reverse transfer policy coupled with a fully digital, machine-readable comprehensive student record system. As mentioned earlier, a shift to machine-readable transcripts or student records would provide several benefits to Hoosiers. A more monumental shift, to a record that captures all learning regardless of where it takes place, will provide even more benefits to students and workers in the new economy.

The comprehensive student record would complement the traditional transcript in several ways. Traditional transcripts are designed to show students' progress toward earning degrees. A comprehensive student record attempts to make a record of all learning, even if it will not count toward a degree. Moreover, a comprehensive student record could focus not on which courses students take, but on the specific skills and competencies that students develop. Such a record someday might be connected to the Internet of Things and automatically updated to show how many hours a welding apprentice has spent with a plasma cutter or how many surgeries a medical resident has taken part in.

A comprehensive student record would help achieve the overall goal of reverse transfer degrees: validating the knowledge and skills a student has already earned. Through a comprehensive student record, student knowledge and skills would be captured regardless of where they were earned. Through reverse transfer degrees, student accomplishments would be recognized regardless of the order in which college credit was earned.

Recommendations

The State's Roles and Responsibilities

As discussed in an earlier section, the State of Indiana has an established role in promoting academic transfers between institutions of higher education, and in particular between state educational institutions. The State further has an interest in increasing the number of Hoosiers with a college degree or other high-quality credential. Therefore, the development of a statewide reverse transfer policy – through legislation or otherwise – is consistent with past policy and legislation and helps fulfill college

attainment goals articulated by Indiana policymakers and the Commission. Recognizing this responsibility, the Commission recommends the following items be incorporated into a statewide reverse transfer policy.

Policy Development

- 1) Implementation of Recommendations.** *This report urges the Commission, state educational institutions, and other appropriate entities to adopt, implement, or continue to act in accordance with the following recommendations and suggestions.*

Data Agreements and Consent

- 2) Signed Agreements.** *This report recommends that all public four-year institutions sign written reverse transfer agreements with both Ivy Tech and Vincennes no later than July 1, 2018. To the extent Hoosier students are better served by a statewide, standardized system of reverse transfer agreements than a collection of non-standardized agreements, this report urges state educational institutions to develop such a model. This report further encourages Ivy Tech and Vincennes to develop agreements with private institutions.* The Commission requests that a copy of each such agreement be provided to the Commission upon signing.
- 3) Consent for Sharing Transcript Information.** *When sharing FERPA-protected student information for the purposes of reverse transfer, this report finds that opt-out consent, passive opt-in consent, or other models may be appropriate, provided institutions remain in compliance with FERPA and receive “conferral consent” from the student.* (See “Consent for Conferring a Degree or Credential” below.) The Commission encourages state educational institutions to explore FERPA-compliant options that would best assist students in becoming aware of their eligibility for reverse transfer.
- 4) Consent for Conferring a Degree or Credential.** *The Commission urges institutions to follow the conferral consent model for the awarding of reverse transfer degrees.* The conferral consent model, as outlined earlier in this report, requires a positive response from a student, at the point of degree conferral, before a reverse transfer degree is awarded. In the conferral consent model, a student may be determined to be eligible for a reverse transfer degree, but no degree is conferred until the student affirms that they wish to receive the degree. (A separate, additional student consent to allow for the sharing of transcripts might be necessary depending on FERPA restrictions. See “Consent for Sharing Transcript Information” above.)
- 5) Active Opt-in for Conferral Consent.** *For the purposes of conferral consent, this report recommends that institutions follow the active opt-in model that is outlined in an earlier section of this report.*
- 6) Automatic Verification of Learning.** *The Commission finds that non-degree, non-certificate forms of education verification, such as “badges,” may, where appropriate, be awarded or updated without consent.* The formality, logistics, and regulations surrounding college degrees and certificates necessitate conferral consent. However, it may be appropriate to

hold the awarding of badges and similar awards and records to different consent requirements.

Enrollment and Credits

- 7) **Enrollment at Degree-Granting Institution.** To receive a reverse transfer degree, a student must have previously enrolled at the degree-granting institution and met residency requirements. The Higher Learning Commission advises that residency “typically” requires at least 15 credits at the degree-granting institution.
- 8) **Credits Counting Toward a Degree.** In accordance with HLC guidance, this report suggests that, to receive a reverse transfer associate degree from Ivy Tech or Vincennes, a student should have earned at least 15 of the credits to be counted toward the degree at the degree-granting institution. Credits that were earned at the degree-granting institution but that do not count towards the degree should not be included in the 15-credit minimum.
- 9) **Dual Credit.** This report recommends that dual credit may count towards degree requirements but should not count toward residency requirements. If a student has earned 15 dual credits from an institution while in high school but did not otherwise attend that institution, that student should not be eligible for a reverse transfer degree from that institution. If, after graduating from high school, a student completed at least 15 credits at the institution, then that student may receive a reverse transfer degree and may count dual credits toward all other degree requirements.
- 10) **Current Enrollment Status.** Institutions and other entities, in accordance with data privacy laws and resource limitations, are encouraged to identify and reach out to potential candidates for reverse transfer degrees regardless of current enrollment status. Hoosiers who have met the requirements for a reverse transfer degree should be eligible to receive the degree, whether or not they are currently enrolled at a postsecondary educational institution. In theory, there is no difference between reverse-transferring the credits of currently enrolled students and reverse-transferring the credits of non-enrolled students. In practice, however, data share agreements, outreach efforts, and other initiatives should recognize that assisting currently enrolled students may require different processes and responsibilities than assisting non-enrolled students. Because of resource and data constraints, institutions may be expected to play a larger role in assisting current students with receiving a reverse transfer degree than they would play in assisting former students. Within reason, institutions should be expected to assist non-enrolled students earn reverse transfer degrees.

Graduation Requirements

- 11) **GPA at Degree-Granting Institution.** The Commission recommends that, while enrolled at the degree-granting institution, students must have maintained a GPA that would have met graduation requirements (e.g., at least a 2.0 on a 4.0 scale).

- 12) Overall Graduation Requirements.** The Commission recommends that students must meet all cumulative degree requirements to receive a reverse transfer degree. This includes total credit accumulation (e.g., 60 total credits), cumulative GPA (from all institutions attended), program of study, and any other relevant requirements. At the point at which they receive a reverse transfer degree, students do not need to meet degree requirements at any other institution except the one that is awarding the degree.
- 13) Precedence of Current Requirements.** If graduation requirements have changed since a student was last enrolled at the degree-granting institution, the Commission suggests that the student should be held to current graduation requirements. If institutions choose to grandfather students into certain requirements, these exceptions should be clearly articulated.

Degrees and Programs of Study

- 14) General Studies or Similar Programs.** Ivy Tech and Vincennes are encouraged to adopt policies that encourage students to complete requirements in programmatic areas rather than General Studies or similar programs. The benefits of reverse transfer degrees have been highlighted in this report. However, analyses by the Georgetown Center for Education and the Workforce have found that a degree's program of study can be a significant determinant on a student's future income. This report recommends that both institutions annually report the program of study for each reverse transfer degree to the Commission. If the Commission finds that certain programs of study make up an unacceptable number of reverse transfer degrees, the Commission may make recommendations to the institutions or to the General Assembly to help limit growth of such degrees.
- 15) Types of Reverse Transfer Degrees.** The Commission insists that all degrees awarded via reverse transfer must be currently offered by the degree-granting institution. Among state educational institutions and SEI-affiliated educational institutions, only Ivy Tech Community College and Vincennes University may offer reverse transfer associate degrees. Except for the student's enrollment status, a reverse transfer degree is identical to a conventionally-awarded degree. An institution may award a reverse transfer degree in any academic program or level it currently awards degrees. No institution may award a reverse transfer associate degree if it does not currently award an associate degree. Nor may the institution award a reverse transfer degree in a subject other than those it currently offers. Reverse transfer students may not be grandfathered into formerly-offered programs. If an institution formerly offered a degree, but does not do so currently, it may not award it as a reverse transfer degree. An institution that does otherwise is in violation of Commission guidelines and may be out of compliance of HLC guidelines.
- 16) Previous Degrees.** This report finds that students who already possess a bachelor's degree, even if in a different subject, are not eligible for a reverse transfer degree. Students who possess an associate degree may be eligible for a reverse transfer bachelor's, but not for a reverse transfer associate. Students who have previously earned certificates may receive a reverse transfer degree.

17) Degree Eligibility at Multiple Institutions. The Commission strongly urges that in the event a student is determined to be eligible for mutually exclusive degrees from multiple institutions, the student must be presented with all reasonable options when being contacted about reverse transfer. If a student is eligible for a reverse transfer degree from multiple institutions (a possibility if they transferred more than once) and only one can be awarded (for example, if they are both associates), institutions are expected to include information on all such options in their communications whenever possible. If a student is eligible for both a conventional degree (in other words, the student is currently enrolled there) and a reverse transfer degree, the student's current institution has the "right of way" in awarding a degree. In this instance, the current institution does not have to provide information about reverse transfer, but the potential reverse transfer institution must provide information about the conventional degree.

Funding and Financial Aid

18) Performance Funding. The Commission will not count reverse transfer degrees in performance funding calculations. Please refer to the Fiscal Implications section of this report for additional discussion.

19) Machine-Readable (XML) Transcript. State educational institutions, as well as private and proprietary institutions, are encouraged to develop a machine-readable transcript (often referred to as XML-compatible transcripts) that can be easily shared among institutions. The Commission suggests the General Assembly consider providing funds to assist state educational institutions in doing so, as such a step may provide long-term, financial benefits to the State and to Hoosiers in general.

20) Frank O'Bannon Grant Performance Incentive. In accordance with statute and current guidelines, the Commission will not award a Frank O'Bannon Grant "Associate Degree" Performance Incentive to students who receive a reverse transfer associate degree while currently enrolled or who have previously enrolled in a baccalaureate program. This incentive provides financial assistance to eligible students who "received an associate degree before enrolling in a baccalaureate degree program." The clear intent of this incentive is to encourage students to earn an associate degree prior to transferring. Awarding the incentive to such reverse transfer recipients would not meet the defined requirements of the incentive. Nor would it be likely to lead to any meaningful increase in the number of students who earn an associate degree before transferring. This report suggests that offering the incentive to reverse transfer recipients may, in fact, work at cross purposes to the intent of the incentive.

Degree Audits of Non-Transfer Students

21) Degree Audits. This report recognizes previous and ongoing efforts at state educational institutions to conduct degree audits of former students and urges all institutions to continue to do so. The purposes of these audits include identifying former students who did not

transfer and to assess whether these individuals are eligible or close to eligibility for degrees. This report further encourages institutions to begin or continue efforts to encourage former students to return and complete degrees and credentials. Some students may have stopped out of college without realizing that they had already fulfilled the requirements for a degree or that they were a few courses away from doing so. Such audits will help identify near-completers and, because they do not involve transfers, in many cases would not require data sharing and consent processes. While these efforts do not necessarily involve reverse transfer, they are consistent with the degree audit practices and with the “credit when it’s due” rationale for a reverse transfer policy.

Transcripts and Comprehensive Student Records

22) Comprehensive Student Records to Complement Degrees. This report recommends that the state develop a competency-based, comprehensive student record. While a degree verifies learning and experiences gained at a specific college or campus under certain requirements, a comprehensive student record is a validation of learning without necessarily indicating where the learning took place. While a college degree is static, a comprehensive student record evolves as the owner gains new skills after graduation. The purpose of a comprehensive student record is to complement a college degree. A college degree reflects certain unique aspects of college that a comprehensive student record simply cannot, just as the comprehensive student record reflects learning that a degree sometimes cannot. This initiative perhaps can build upon ongoing Commission efforts related to the Credential Engine and be informed by the Commission’s September 14, 2017 Resolution on Transcript Supplements to Document Experiential and Applied Learning.

23) Value of college degree. In recommending a comprehensive student record to complement college degrees, this report does not question the demonstrable value of a college degree. Such a record is complementary to the role of a degree.

Metrics and Data Reporting

24) Data Submissions. The Commission requests Ivy Tech and Vincennes report the following information on an annual basis. The Commission may make this data available upon request or through occasional reports, in accordance with privacy laws and best practices, and may request additional information as needed.

- a. Information regarding the number of reverse transfer degrees awarded, disaggregated by campus, program of study, and other relevant information.
- b. Information regarding individuals who have been contacted and degree audits conducted for the purposes of reverse transfer.
- c. Information regarding individuals who received a reverse transfer degree.
- d. Information and updates about reverse transfer processes and agreements.

25) Graduation Rate Calculation. The Commission will not include reverse transfer degrees in graduation rate calculations, but will consider including them in “success rate” calculations where applicable. CHE recommends all other entities do the same when calculating

graduation rates. A success rate calculation might include conventional graduates and students who transferred without receiving a degree but subsequently either earned a reverse transfer degree, earned a conventional degree from the new institution, or is still enrolled in the new institution.

Federal Legislation Related to FERPA

26) Reverse Transfer Efficiency Act of 2017. The Commission supports the Reverse Transfer Efficiency Act of 2017 as introduced in the United States Congress. This bill would amend FERPA to allow for student transcript information to be shared between institutions for the purposes of reverse transfer without student consent as long as no degree is awarded until the student consents to receiving a degree. The Commission's study and report indicates that this bill, as introduced, would benefit Hoosiers.

Other Recommendations

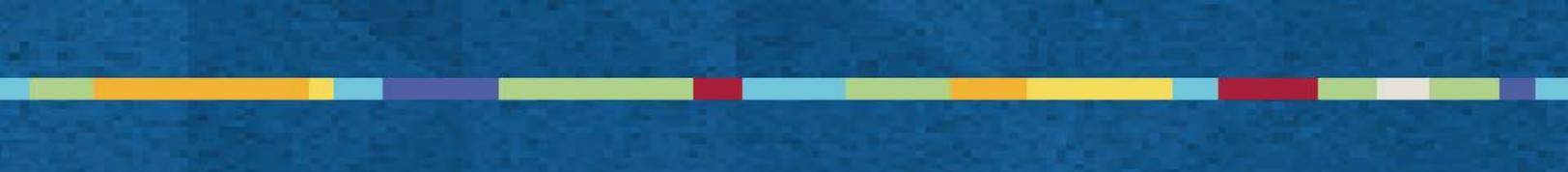
27) Military Personnel and Families. This report recommends that, whenever possible, reverse transfer practices and outreach should attempt to meet the needs of military members and complement existing resources for military families. Ivy Tech and Vincennes are encouraged to establish voluntary reverse transfer agreements with private and out-of-state institutions that enroll large numbers of military personnel and their families. Ivy Tech and Vincennes are further encouraged to ensure that the Joint Services Transcript (U.S. Army, Marine Corps, Navy, and Coast Guard) and other forms of military academic transcripts are included in reverse transfer evaluations.

28) Reverse Transfer for Bachelor's Degrees. Ivy Tech and Vincennes are encouraged to regularly check their enrollments for potential candidates for reverse transfer bachelor's degrees and to notify the respective institutions or "completion colleges" in accordance with data share agreements. This report has focused on reverse transfer for associate degrees. Yet many of the findings can be applied to bachelor's degrees as well. Students who begin at a four-year institution and transfer to a two-year institution may go on to fulfill the requirements for a bachelor's degree.

29) Purdue NewU and Reverse Transfer Degrees. Until and unless the Commission determines otherwise, Purdue NewU cannot award reverse transfer credentials to Indiana residents.

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Appendix

Reverse Transfer Policies in Other States

Indiana is not alone in encouraging reverse transfer and in establishing a state role in promoting the practice. The following descriptions detail related efforts in other states.

Statewide Higher Education Coordinating Boards

Colorado

The Colorado Department of Higher Education is directed by [Colorado Revised Statutes Section 23-1-131\(3\)](#) (a) to “collaborate with the governing boards of the two-year and four-year institutions to develop and coordinate a process to notify students concerning eligibility for the award of an associate degree. The notification process shall apply to students at a four-year institution who have accumulated seventy credit hours at a four-year institution and who transferred to the institution after completing the residency requirements for an associate degree at a two-year institution.”

Students who have some college completed but who have not yet attained a degree, may be eligible for an associate’s degree if they meet the following criteria:

- The student has completed 15 credit hours at a community college in Colorado;
- The student has a minimum of 70 credit hours, including coursework at the four year institution;
- The student has completed those 70 credit hours within 10 years of enrollment at any institution;
- The student’s completed credit hours meet the requirements for an Associate of Science, Associate of Arts or Associate of General Studies, to be determined via degree audit at the community college; and
- The student has not requested that their data be withheld at either institution.

Students who would like to participate must opt in at the [Department’s website](#).

Missouri

The Missouri Coordinating Board for Higher Education is directed by [Missouri Revised Statutes Section 173.005](#) (8) to “develop a policy to foster reverse transfer for any student who has accumulated enough hours in combination with at least one public higher education institution in Missouri that offers an associate degree and one public four-year higher education institution in the prescribed courses sufficient to meet the public higher education institution's requirements to be awarded an associate degree.”

[Missouri Reverse Transfer](#) (MRT) allows individuals who have completed credits for an associate degree to receive that degree even if they have transferred to a four-year college or university. Individuals must have earned a minimum of 15 credit hours at a single two-year institution to be eligible for a reverse

transfer degree. Those who currently possess an associate degree or higher are not eligible for the program. All public and many independent colleges and universities in the state are participating in the MRT Program. To apply, individuals need to give the four-year institution permission to share their transcripts with the two-year college they attended. Individuals who are not currently attending college may be eligible to complete an associate degree through the program.

Tennessee

The Tennessee Higher Education Commission, the Tennessee Board of Regents, the University of Tennessee, and the Tennessee Independent Colleges and Universities Association have developed a comprehensive [Reverse Transfer Policy](#). This policy allows students who transferred to a participating four-year institution to also receive an associate's degree from their originating Tennessee community college if, after transferring, they accrued the number and distribution of credit hours required for that degree. Potential reverse transfer degree candidates must have earned a minimum of 15 college credits at the Tennessee community college (to meet regional accreditation residency requirements) and have earned a minimum of 60 combined credits from the community college and the four-year institution.

In 2014, through a competitive bid process, *AcademyOne, Inc.* was selected as the software vendor for the reverse transfer project. Statewide implementation of the reverse transfer software was phased in, with 50 percent of the institutions participating in December 2014 reverse transfer graduations, and the remainder of institutions participating in May 2015 reverse transfer graduations. By spring 2015, of the 1200 potential degree candidates, 350 associate degrees were awarded. During the fall 2015 term, implementation of the Reverse Transfer Project was launched statewide. Participation included all public community college and universities along with eight private universities. Based on the statewide launch, a total of 828 associate degrees were awarded through reverse transfer in 2015-16. These degrees represent about a nine percent increase in awards from 2014-15.

Texas

The Reverse Transfer process was established by the Texas Legislature in 2011 to help students who transfer from a public community college to a public university receive an associate's degree as they successfully complete coursework. Texas public universities are required to identify, track, and follow up with each student who has (1) earned at least 30 semester credit hours at a community college and (2) completed a total of 66 semester credit hours. Once a student meets these requirements, the university – with the student's permission – sends the community college the student's course completion transcript. The community college reviews the transcript information and determines whether the student completed sufficient credits to qualify for an associate degree. The Texas Higher Education Coordinating Board has identified Reverse Transfer as one of its "State Transfer Initiatives That Create Clear Pathways."

Statewide Higher Education Systems and Boards of Regents

Kansas

The Kansas Board of Regents established a [Systemwide Reverse Transfer Procedure](#). Beginning in the Fall of 2014, students who transfer to a Kansas public university from a Kansas public community college

or technical college are eligible for Reverse Transfer, which allows for the attainment of any associate degree for which one is eligible along the way to additional certificates and degrees.

Within a student's first year, or upon eligibility for reverse transfer, those who transfer coursework from a community college or technical college to a public university will be notified if they are eligible to be considered for reverse transfer degree status, and which courses are needed to finish the related degree. To be eligible, a student must have completed at least 45 credit hours at one or more public community college or technical college in Kansas. Students who then complete the coursework for a given associate degree will be eligible to receive that degree, administered automatically by correspondence between the new institution and the community college or technical college the student last attended.

North Carolina

The Reverse Transfer Program is a collaborative effort between North Carolina's Community Colleges and the University of North Carolina's 16 constituent institutions. Students who transfer to a North Carolina university from one of the 58 North Carolina community colleges are given the opportunity to combine the credits earned at the university with credit already earned at the community college to determine if the associate degree requirements have been met. Each of the University of North Carolina's 16 constituent institutions [has established policies](#) regarding potential benefits associated with receiving a degree through reverse transfer.

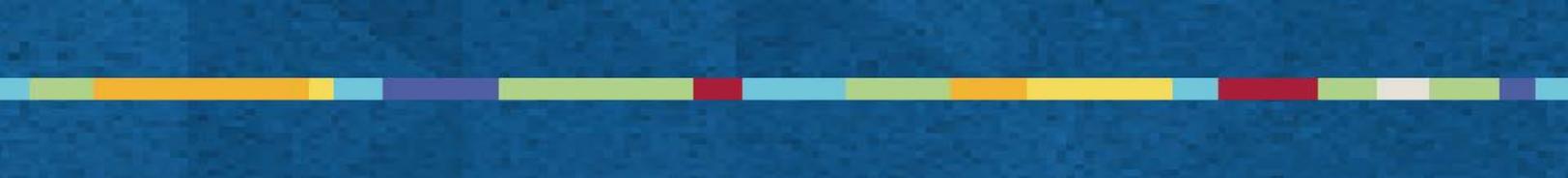
Ohio

The Ohio Department of Higher Education's [Credit When It's Due](#) (CWID) initiative started in 2013 to assist eligible students with obtaining an associate degree through collaboration between Ohio's public institutions. CWID emphasizes degree attainment for students that have some college experience but no degree by offering a pathway to an associate degree. Students can benefit by earning an associate degree while working toward a baccalaureate degree, or by earning a degree with college credit earned at a two-year college attended previously. All of Ohio's 23 community colleges and 13 universities participate in the Credit When It's Due initiative, with more than 1,000 degrees already awarded by the end of 2014.

The Ohio Department of Higher Education's CWID process identifies students who:

- Enrolled in one of Ohio's public universities to pursue a bachelor's degree in the last semester reported to the state.
- Have earned at least 45 college-level semester credit hours at Ohio public universities or colleges.
- Have earned at least 20 college-level semester credit hours from a participating two-year institution.
- Have a minimum cumulative GPA of 2.0 at their current university.
- Have not received an associate or a bachelor's degree from Ohio public institutions.

The identified students will be contacted by their current university or by a community college to begin the process of being considered for an associate degree. If the student grants permission for his or her academic records to be shared between the institutions, the student's records will be reviewed to see if he or she is eligible for a degree. The college that is considering the associate degree award will contact



the student to let him or her know the results of the associate degree review process. A student who qualifies for the degree will be awarded the credential. A student who does not yet qualify for an associate degree will be given information on which outstanding items may be resolved to be awarded an associate degree.

Glossary

The terminology and context of reverse transfer can appear complicated to those unfamiliar with it. Below are a few brief descriptions of terms and concepts that appear in this report.

- **Associate Degree** – an academic degree that typically takes 60 credits (two years of full-time enrollment) to complete.
- **Bachelor’s Degree** – an academic degree that typically takes 120 credits (four years of full-time enrollment) to complete.
- **College or Institution** – Throughout this report, the terms “college” and “institution” are used to refer to all state educational institutions unless otherwise specified.
- **Community College or Two-Year Institution** – A college or university that primarily focuses on students seeking associate degrees, a sub-associate certificates, transfer pathways, or workforce training. This report focuses on two two-year institutions: Ivy Tech Community College and Vincennes University.
- **Consent** – In this report, consent may refer to a student consenting to either transcript sharing or degree audit to determine eligibility for degree conferral. Consent for these actions may be combined or given separately.
 - Opt-in assumes non-consent and provides students the option to participate.
 - Opt-out assumes consent and provides students the option not to participate.
 - Active Opt-in is an opt-in system in which no action is taken unless a student has actively affirmed consent (e.g., a student checks a box on a specialized reverse transfer form).
 - Passive Opt-in is an opt-in system in which no action is taken unless a student consents, but the consent does not need to be actively affirmed (e.g., an admissions application with a pre-checked box which, unless a student unchecks the box before submitting the application, would allow transcripts to be shared).
 - Data Sharing Consent is the consent needed to share a transcript or other student information from one institution to another institution. It may be opt-in or opt-out, but must comply with FERPA.
 - Conferral Consent is the consent needed to award a degree or credential. It may be opt-in or opt-out, but CHE recommends using active opt-in for conferral consent.
- **Core Transfer Library** – A compilation of courses offered by one public institution that transfer to all other public institutions, often as exact, one-for-one equivalents at the receiving institution.
- **Degree-Granting Institution** – any two-year or four-year institution that awards degrees to students. In the context of this report, degree-granting institution usually refers to the institution awarding a reverse transfer degree (Ivy Tech Community College or Vincennes University).
- **FERPA** – The Family Educational Rights and Privacy Act (FERPA) is a federal law that addresses student privacy and rights related to student records. FERPA can be found in Section 444 of the United States General Education Provisions Act. Generally speaking, FERPA requires a student’s or guardian’s written consent before the student’s school can share certain student data with other entities.
- **Four-year Institution** – A college or university that primarily focuses on students seeking bachelor’s degrees or higher.

- **Higher Learning Commission (HLC)** – HLC, one of six regional institutional accreditors in the U.S., is an independent corporation that accredits postsecondary institutions in 19 states across the West and Midwest. HLC must verify that an institution is in compliance with relevant responsibilities and expectations in order for that institution to receive federal financial aid. Though similar in name, HLC is not to be confused with the Indiana Commission for Higher Education.
- **PII** – Personally identifiable information that is protected under FERPA. This can include students' transcripts and other information.
- **Reverse Transfer** – The practice of awarding a degree to an individual who left or transferred from a college before earning the degree, but who, after leaving, fulfilled the degree requirements from that college. In other words, credit is transferred back ("in reverse") to the former institution for the purpose of awarding a degree. This practice often used by students who transferred from a community college to a four-year university before receiving an associate degree. Reverse transfer degrees are not honorary degrees. Recipients of reverse transfer degrees must fulfill all academic requirements.
- **Reverse Transfer Agreement** – An agreement between institutions to share PII or other student information for the purposes of reverse transfer.
- **Reverse Transfer Degree** – A degree awarded via reverse transfer.
- **Statewide Transfer General Education Core** – The Statewide Transfer General Education Core consists of 30 semester hours of credit, the completion of which at one public institution means it can transfer as a block and count as satisfying the Statewide Transfer General Education Core equivalent at the receiving institution.
- **Transfer** – A common practice in which a student switches the college they are attending. Transferring usually indicates a permanent switch. Students may switch from two-year institution to a four-year institution, from a four-year institution to a two-year institution, between two-year institutions or between four-year institutions.
- **Transfer Credit** – Credit earned at one institution that will count towards graduation requirements at a second institution.