FURTHER EDUCATION IN THE UNITED STATES OF AMERICA

1. Overview

There is no national education system present in the United States. Due to the federal nature of the government, the local and state governments perhaps have a greater deal of control over education.

As a result, there is no country-level education system or curriculum. The federal government does not operate public schools. Each state has its own Department of Education.

In terms of funding, public schools receive funding from the individual state, and also from local property taxes. Public colleges and universities receive funding from the state in which they reside. Each state's legislative body decides how much funding will be given educational providers within that particular state. Students aged 1-18 do not pay tuition fees, this ends if the student wishes to go to a college or a university where students do pay tuition fees. However, some students receive some sort of funding, either through a scholarship or through a loan.

In the United States, education is compulsory for all students until ages sixteen to eighteen depending on the individual state. Most high school students graduate at the age of seventeen or eighteen-years-old.

The U.S. Census Bureau reports that 58% of high school graduates enrolled in colleges or universities in 2006. Students have the option of attending a two-year community college (also known as a junior college) before applying to a four-year university.

Admission to community college is easier, and class sizes are often smaller than in a university. Community college students can earn an Associate's degree and transfer up to two years of course credits to a university.

2. Further Education in the United States of America

In the United States, the term post secondary education encompasses the many routes that students may take after leaving secondary school.

One path is to earn a certificate, degree or diploma from a career college or technical school that will train students for a specific career, trade of profession. These schools train students for a variety of technical positions.

3. Current status

4. Responsibility for Further Education in the United States of America

Education is primarily a State and local responsibility in the United States. It is States and communities, as well as public and private organizations, that establish schools and colleges, develop curricula, and determine requirements for enrolment and graduation.

The structure of education finance in America reflects this predominant State and local role. Of an estimated $1.13 trillion being spent nationwide on education at
all levels for school year 2010-2011, a substantial majority will come from State, local, and private sources.

Most states have laws requiring that career colleges and technical schools be licences or certified to offer courses and programmes. If a provider has a licence or certificate to operate, it means that the provider has gone through a process to make sure that it meets certain standards. However, some states do not require provicers to obtain these licences to operate legally.

Although the Department’s share of total education funding in the U.S. is relatively small, the Department works to get a high return for its taxpayer-provided funds by targeting areas where it will be most effective.

In 1980, Congress established the Department of Education as a Cabinet level agency. Today the Department operates programs that affect on every area and level of education, including further education. The Department’s programs provide grant, loan, and work-study assistance to more than 15 million postsecondary students.

The Department, despite state dominance, has established various sub-departments to co-ordinate policies in relation to further education.

*The Office of Postsecondary Education (the “OPE”)*

The OPEformulates federal postsecondary education policy and administers programs that address critical national needs to increase access to quality postsecondary education.

The Accreditation Group administers the Department’s review process of accrediting agencies and state approval agencies for postsecondary vocational education and nurse education seeking to obtain initial and continued recognition by the Secretary of Education. The Accreditation Group carries out the Secretary’s responsibility to publish a list of nationally recognized accrediting agencies and associations which the Secretary determines to be reliable authorities as to the quality of education and training offered by postsecondary institutions and programs.

*The Office of Vocational and Adult Education (the “OVAE”)*

The OVAE administers and coordinates programs that are related to adult education and literacy, career and technical education, and community colleges.

*Adult Education and Literacy*

The Division of Adult Education and Literacy is responsible for enabling adults to acquire the basic skills necessary so that they can benefit from the completion of secondary school, enhanced family life, attaining citizenship and participating in job training and retraining programs.

OVAE's Adult Education and Literacy initiatives are:

- Administering the Adult Education formula grant program to the States.
- Providing assistance to States to improve program quality, accountability and capacity.
- Establishing national leadership activities to enhance the quality of adult
education.

Career and Technical Education

The Division of Academic and Technical Education is responsible for helping all students acquire challenging academic and technical skills and be prepared for high-skill, high-wage, or high-demand occupations in the 21st century global economy.

OVAE's Career and Technical Education initiatives are:

- Administering state formula and discretionary grant programs under the Carl D. Perkins Career and Technical Education Act (Perkins).
- Providing assistance to states to improve program quality, implementation, and accountability.
- Establishing national initiatives that help states implement rigorous career and technical education programs.

Community Colleges

OVAE provides national leadership to strengthen the role of community colleges in expanding access to postsecondary education for youth and adults and advancing workforce development.

OVAE's community college initiatives are:

- Build public support for community colleges as centres of innovation and providers of excellent education and training that are affordable and accessible to all Americans;
- Facilitate the dissemination of timely and actionable guidance on community college educations for teachers, administrators, students, parents, and employers; and
- Promote the development of strategies that support students in the completion of their postsecondary certification and degree programs.

5. Establishing a Presence in the United States of America

5.1 Starting a company in the United States

The most common form of business vehicle used by foreign companies is a corporation incorporated in Delaware. Establishing such a company is fairly similar to that in the UK. A certificate of incorporation must be filed with the Secretary of State in Delaware which is valid on the effective date of filing. The company’s constitutional documents must also be filed.

The company will only become active when the shares are issued to the subscribers of the company. There is no minimum or maximum share capital of a Delaware registered company.

There are however, restrictions on foreign shareholders for particular industries. The education sector does not fall within these restrictions, meaning it is possible
for a foreign company to own all the shareholding in the Delaware based company.

In terms of filing requirements in Delaware, the company must file information relating to a change of name, change of agent or registered office, alterations to the shares and any rights connected to those shares, and annual tax reports.

If the company is to carry out business in any other states then it must comply with the reporting.

5.2 Starting an Educational Institute in America

The process for setting up a campus in the USA will vary depending on which state the campus will be established in and what type of legal entity that controls the education programmes.

The department of education in the state of the proposed establishment would usually be a good place to start in order to obtain further information on the requirements of an individual state.

6. Community Colleges

In the USA, after students have completed high school, they can choose to attend a community college for two years prior to further study at another college or university. Community colleges offer associate’s degrees or vocational certificate programs. In most states, community colleges are primarily controlled by state and local government. Individual states usually require community colleges to accept all local residents who seek admission. As a result, community colleges attract higher than average numbers of working class, non-white, and female students.

The most popular fields in further education are business administration and management, education, engineering, health professions, fine and applied arts, physical education, language, literature, religion and psychology. The federal government underwrites the cost of basic further education, so that older students (particularly members of minority groups) can go back to school for the rudiments of an education they failed to get as children, including reading, writing, maths, history and geography.

7. Community College as an access to Higher Education

Generally, after graduating from a community college, students transfer to a university to complete a four-year baccalaureate degree, while others enter the workforce.

Many community colleges have relationships with state universities and colleges or even private universities. This relationship sometimes enables students to transfer to the sister university after graduation, where the college awards the associate's degree, and the university awards the bachelor's and master's degrees. The Accrediting Commission for Community and Junior Colleges (ACCJC), which is part of the Western Association of Schools and Colleges (WASC) is one of six regional accrediting organizations in the United States. The ACCJC accredits private and public colleges that provide students two-year education programs and confer the associate degree.
8. **Workforce Preparation**

Community colleges prepare many students for their first job and retrain or upgrade the skills of unemployed workers. Community colleges are key suppliers of occupations such as nursing, computer operations and car mechanics.

9. **Establishing a Community College**

State governments decide if community colleges can be established and how they must operate. In most states it is local boards that directly operate the colleges. Community colleges are governed by a board of trustees, appointed by the state governor or elected from the community. Depending on the operational system, the board of trustees may directly govern the college or may govern the college through a university or system-level office.
HIGHER EDUCATION IN THE UNITED STATES OF AMERICA

The higher education sector in the United States of America ('USA') is extremely diverse, being made up of different types of higher education providers. The federal government of the United States does little to restrict the autonomy of individual states in relation to higher education policy. The USA has many private and public institutions delivering higher education programmes in different ways, using different programmes and relying upon different structures of funding. The reputation of higher education institutions ('HEI') is linked to the accreditation obtained from accreditation bodies, the HEI's placement in various league tables and the types of funding they receive.

1. Types of higher education providers

The following types of HEIs can be publicly and/or privately funded depending upon the way they were established. Types of federal and state funding are explored in more detail below, but it is worth noting that there are a growing number of for-profit universities, which run as businesses with profit-making being a driving force. In these institutions, the education environment needs to remain popular with students and their future employers, but some question whether academic independence and in-depth learning of a variety of subjects may be compromised.

1.1 Community Colleges (usually offering two year courses)

Community colleges are undergraduate Colleges which admit students who have already undertaken 12 years of education. Among other qualifications, community colleges award associate degrees, which may then allow the student to continue their education at a four year college to obtain a bachelor degree.

Community colleges receive almost two-fifths of their revenue from the state, and the balance of funding comes from tuition fees, grants, and contracts with local business and industry. Community colleges offer a range of non-credit programmes, workforce development and skills training and the preparation of students for transfer to four year institutions. Community colleges pay a pivotal role in the local community, and award approximately 555,000 associate degrees, 295,000 certificates and baccalaureate awards (data current as at January 2008). They currently educate 59% of new nurses, 80% of fire fighters and law enforcement officers and cater for just under 100,000 international students.

1.2 Four Year Colleges

Four year colleges also cater for undergraduate students, who decide upon a 'Major', or a particular course of study to follow, although they may have to study subjects outside their Major in order to graduate. Four years of undergraduate study allows students to become eligible for a bachelor degree. Once obtained, a bachelor degree allows students to progress to graduate study. These colleges can be privately or publicly funded and are very diverse.

1.3 Universities

Universities usually offer a variety of undergraduate and graduate programmes. A university may comprise one or more graduate schools which grant degrees at masters’ and doctorate levels.

A state university system involves the grouping together of several public universities, which are then supported by an individual US state. This allows the
state in question to subsidise the tuition provided by the campuses making up this state university system.

1.4 **Professional Schools**

These may be a unit within the university which cater for the training of practitioners, for example law schools and medical schools. Students who wish to pursue training in medicine, law or dentistry must first obtain a bachelor degree.

1.5 **Service Academies**

Places in these HEIs are government funded and graduates will spend some time in active service in the United States’ forces after their education. It is competitive to obtain a place, with physical aptitude and medical fitness being part of the selection criteria.

1.6 **Institutes of Technology**

These HEIs have a particular emphasis on programmes relating to science and engineering and they provide students with a programme of study that is focused on their Major. They are usually strong on research and best known for their graduate programmes.

1.7 **Liberal Arts Colleges**

These provide multi-disciplinary education, and although the students still choose a Major, the first couple of years of a bachelor’s degree will consist of the study of a wide variety of subjects. Many of these have links to religious organisations.

1.8 **Tribal Colleges**

These HEIs are located on or near reservations and cater for Indian tribes and Alaska Native entities as well as non-tribal members of the population. They are described by the federal government as fulfilling a vital role - preserving irreplaceable languages and traditions, providing job training and offering a high quality college education in some of the US’s poorest rural areas.

1.9 **Distance learning providers**

Many HEIs provide distance learning courses at both undergraduate and graduate level. These courses may involve communication through the use of computers or by written correspondence. According to the US Department of Education, National Centre for Education Statistics (2008), 66% of 2 and 4 year colleges offered distance education courses in 2006-2007 and distance learning accounted for an estimated 12.2 million college registrations in the same time period.

2. **Current situation**

2.1 The US Census Bureau states that enrolment in two and four year colleges and universities in the USA reached 20.5m in 2006. In 2006, 66% of recent high school completers went on to enrol in college (data was only available up to 2006). In 2007, the estimated voluntary financial support received by higher educational establishments was $29,750,000,000.00, a figure which excludes
income from endowments, federal state and local government. At the time of going to print, the State Physical Stabilisation Fund programme deals with the allocation of £53.6 billion under the American Recovery and Reinvestment Act 2009. This money will be used to help stabilise state and local government budgets and ensure that public HEIs retain staff and continue to invest in education. This infusion of funds is expected to be temporary, probably only being available for two to three years. These funds may be used by higher educational establishments for general expenditure, to reduce the need to raise tuition fees for in-state students, and on facilities used by HEIs.

2.2 Another important source of financial assistance for not for profit institutions is the tax exemption available where the US Internal Revenue Service accepts that an institution is charitable or not for profit. US law also gives valuable tax breaks for charitable donations. Some UK universities may be in a position to encourage voluntary giving from US based alumni and may need to provide evidence that they have a similar charitable status.

3. Students

There are a wide variety of US institutions offering higher education, and potential students are encouraged to research their options carefully before deciding which institutions to apply to. The Carnegie Classification of Institutions of Higher Education describes institutions depending on what they teach, who the students are, and what the setting is. In addition there are lots of league tables, including the controversial rankings compiled by the "US News and World Report", the methodology of which has been questioned by some commentators.

Students will have to pay for tuition at most HEIs, with the awarding of scholarships differing in extent and frequency depending upon the funding provisions of the individual establishment, the educational attainment of the students, and the availability of scholarship awards.

5. Responsibility for higher education in the USA

There are three levels of regulation in the USA - the state education licensing agencies, accrediting agencies and the Department of Education.

5.1 State Education Licensing agencies

States regulate HEIs that are formed under the laws of their own state, and these HEIs usually acquire authority to award degrees from the state in which they are established. States may also regulate HEIs which operate in their state but are formed under the laws of a different state or country, or have a main campus outside the state. The likelihood that the state will regulate this institution usually increases as the extent of the HEI’s physical presence in the state increases. The definition of physical presence varies between states, but may include the employment of staff, face to face instruction and advertising and/or recruitment in the state.

It can be expensive to comply with state education agency licensing requirements due to the management time involved, the application fee and the annual licence fee. A surety bond may also be required, which is typically used to compensate students if the HEI closes unexpectedly.
5.2 Accreditation

Accreditation arose in the USA as a means of conducting non-governmental, peer evaluation of educational institutions and programs. Accreditation verifies that an HEI or programme is of an established standard and so assists potential funders in the identification of programmes to benefit from the investment of public and private funds, assists students in identifying what/where to study, and helps HEIs to determine the acceptability of transfer credits.

Accreditation of an HEI in the USA is essential to the HEI’s reputation and funding arrangements. There are regional and national accreditors, and regional accreditation is sometimes perceived as the more prestigious of the two. For example, some HEIs which are accredited by regional accreditation bodies decline to accept transfer credits for incoming students from HEIs accredited by national accreditation bodies. The US Secretary of Education publishes a list of accrediting agencies it considers reliable authorities on the quality of higher education, and it is making available a database of HEIs and programmes accredited by accrediting agencies or state approval agencies recognised by the US Secretary of Education.

The two basic types of accreditation are ‘institutional’ and ‘programmatic’. Institutional accreditation involves the accreditation of an entire HEI, although every department within the whole institution will not necessarily reach the same level of quality. Programmatic accreditation involves the accreditation of a part of an institution, for example a school within a university or a subject area within a discipline.

The procedure involved in obtaining accreditation is onerous, usually involving the HEI or programme preparing a detailed self-evaluation study on its performance compared with the accrediting agency’s educational standards. The accrediting agency will then send a team to visit the HEI or programme to determine if the standards have been met. If these standards are met, accreditation will be granted and details of the HEI or programme will be published. The accrediting agency will then undertake periodic monitoring and re-evaluation of the HEI or programme’s accredited status to ensure that the educational standards continue to be met.

The Department of Education has set up an ‘Accrediting Agency Evaluation Unit’ which provides consultative services to HEIs, provides a link between the Department of Education and accrediting agencies and continuously reviews standards, policies and procedures in relation to accreditation.

5.3 Department of Education

The Department of Education administers federal student financial aid programs, and imposes a strict set of conditions which higher education institutions have to comply with in order for their students to qualify for this funding. For more information on this please see the section below on ‘funding’.

6. Federal and State Funding

The federal government offers students financial aid in a variety of ways. The main provision is through the Higher Education Act 1965 (‘HEA’) which includes the provision of grants and loans. The Department of Education sets out conditions which need to be met in order for students to access this aid and the higher education institution needs to meet eligibility and certification requirements. Non-US institutions may also participate in HEA student loan
programmes as institutions that are not located in a US State are eligible to participate in a student loan program called 'Federal Family Education Loan Program' if they meet the relevant requirements. However, foreign institutions will not qualify for this funding for correspondence or part correspondence courses.

Other federal student aid programs include the 'Uniform Tuition Assistance Program', by which members of the US Armed Forces receive tuition assistance from the US Department of Defence to attend an accredited HEI.

To qualify for student funding, HEIs established in a US state must be accredited by a Department of Education accredited agency and be legally authorised to provide higher education within the state. In addition to federal funding, many states also offer funding. The eligibility requirements for the HEIs and students differ from state to state.

7. **Establishing a UK campus in the United States**

The process involved in setting up a campus in the United States will differ depending upon which state the campus will be established in and the type of legal entity that controls the education programs and awards the qualifications linked to these programs.

The federal government in the USA does not have the power to authorise institutions to award degrees, this power is held by individual US states. A non-US HEI may be required to obtain degree-granting authority in the US even if the HEI already has degree-granting authority in its home country, and even if the non-US HEI plans to award non-US degrees. For an organisation to obtain degree awarding powers in a US state, the physical presence of the establishment in the state in question is usually a requirement, and the institution must usually be accredited by a recognised accrediting agency recognised by the US Department of Education. In some states, a HEI may need to have a legal entity in the US in order to obtain degree awarding powers.

The department of education in the state of proposed establishment would usually be a good place to start in order to obtain further information on the requirements of an individual state.

8. **Other types of collaboration with US institutions**

The constitutional documents of the UK HEI should be checked in order to ascertain that the HEI has the power to collaborate with other HEI institutions in the way intended.

It will also be necessary to undertake an examination of the law of the state of the proposed US partner HEI. For example, the ability to set up a dual degree programme with an HEI in a US state will differ from state to state.

A crucial inhibitor of research collaboration between the UK and the USA occurs when it is necessary to obtain a favourable funding decision from two different funding organisations, one in the UK and one in the US. To counteract this, bilateral arrangements for funding joint research proposals may need to be put in place.

This article is intended as a summary only.