



STATE OF TENNESSEE

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Consumer information lacking on diploma mills, more information oversight needed

NASHVILLE, Tenn. – Tennessee consumers could use more information to protect themselves from “diploma mills” and other types of educational fraud, according to a new report from the Comptroller’s Office titled “Protecting Tennesseans from Education Fraud.”

The report focuses on the ability of state agencies to ensure the quality of educational institutions and to protect citizens from unscrupulous practices, including diploma and degree mills.

Diploma and degree mills offer consumers fraudulent degrees or certificates of completion.

“Because Tennessee does not warn consumers about the potential dangers of diploma mills, parents or students may lack sufficient information on the possible dangers of diploma mills and may not be able to identify bogus offers,” said Kim Potts, the report’s principal legislative research analyst.

Tennessee’s primary protections for quality education standards are twofold. First, state laws prohibit the falsification or misrepresentation of academic records, making it a misdemeanor to sell, manufacture or knowingly use a false academic degree. Second, school approval processes are designed to ensure schools are legitimate institutions that provide an educational benefit.

The Tennessee Higher Education Commission (THEC) approves and oversees the state’s for-profit postsecondary schools. The Comptroller’s report concludes that THEC’s process for regulating colleges and universities appears to be sound and comprehensive. Investigations by THEC staff suggest that, thus far, there has not been any diploma mill activity originating in Tennessee.

However, consumers may receive degree advertisements from fraudulent operators in other states and countries over the internet. Educational enterprises that operate over the internet are often beyond the reach of state authorities.

The report recommends that both the THEC and the Division of Consumer Affairs publish information on agency web sites and elsewhere informing Tennessee consumers about ways to identify fraudulent educational offers from degree and diploma mills.

Although most documented diploma mill activity appears to be within postsecondary education, a recent NCAA scandal regarding athletes from a questionable correspondence high school in Florida who were recruited by top college programs illustrates the possibility for fraud in other educational levels.

In Tennessee, the State Board of Education issues minimum standards for approving K-12 schools, while the Department of Education monitors compliance with state standards to ensure that all K-12 schools maintain educational quality.

According to the Comptroller’s report, standards and accountability measures may not be clear for some nonpublic schools in Tennessee.

Of the state's 653 nonpublic primary and secondary schools, 222 operate as Category IV church-related schools under state law. Due to the legal status of these institutions, the Department of Education does not provide school approval and oversight. Rather, oversight is the responsibility of one of seven organizations listed in the law.

"Many of these schools may be doing a fine job," said Patrick Hultman, associate legislative research analyst. "But the extent to which these organizations oversee students' educational experience is unclear."

Parents may not be aware that the state of Tennessee does not recognize diplomas or certificates of completion issued by church-related schools.

The Comptroller's report recommends that the General Assembly either review school approval standards of the organizations that approve church-related schools, or require the State Board of Education to review the standards.

The report also recommends that the State Board of Education consider issuing rules requiring Category IV schools to disclose within student materials that diplomas issued by the schools are not recognized by the state, and that some colleges may subject graduates of Category IV schools to additional admission requirements.

The report, "Protecting Tennesseans from Education Fraud," is available on the Comptroller's website at www.comptroller.state.tn.us.

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