



Regular and Substantive Interaction in Distance Education Programs

Primary statutory cites:	HES Secs. 103(7)(a), 103, 481, 487, 496, 498A
Primary regulatory cites:	34 CFR 600.2, Definitions
	34 CFR 668.2, General Definitions
	34 CFR 668.10, Direct Assessment Programs
	34 CFR 668.113, Request for Review
	34 CFR 602.3, What Definitions Apply to This Part?
	34 CFR 602.16, Accreditation and Preaccreditation Standards

History of Abuses by Correspondence Schools

The story of regular and substantive interaction in distance education actually begins over a hundred years ago with [correspondence education](#). For well over a century, colleges have provided education through the mail -- once considered a major innovation. But with the advent of federal aid dollars after World War II through the GI Bill, fly-by-night colleges began to pop up in great numbers to get some of those dollars, offering low-value correspondence programs and wasting veterans' hard-earned benefits. Around 637,000 World War II veterans took correspondence programs using the GI bill; of the 286,000 who enrolled in correspondence programs in the first five-and-a-half years after passage of the GI Bill in 1944, just 10.7 percent graduated. A 1955 Census Bureau survey of 8,000 World War II veterans found that half of correspondence graduates said they hadn't used their training "at all" in subsequent jobs.

Abuses of federal dollars by correspondence programs continued to accrue over the next several decades. With the opening of federal grants and loans to low-income students in the 1970s came a recurrence of past abuses. The Inspector General at the Education Department has conducted numerous investigations into correspondence education over the years, and offered testimony to lawmakers on the matter, and has recommended on several occasions that Congress eliminate correspondence eligibility. A Senate investigation (the Nunn Commission) on abuses in the federal financial aid programs found such a significant concentration of abuses and poor quality that it recommended lawmakers eliminate eligibility for correspondence programs entirely.

Federal Regulation of Correspondence Education

While Congress did not eliminate federal aid access altogether, it did place restrictions on correspondence programs in 1992 that are still in place today. Lawmakers banned institutions that offer more than half of their courses--or enroll more than half of their students--as correspondence courses from being eligible for federal financial aid, in an effort to reduce the prevalence of fraudulent institutions that offered solely distance education programs. Additionally, correspondence programs are subject to limitations on the amount of financial aid for which their students are eligible. At the time, the Department of Education (led by then-Secretary of Education and now chair of the Senate education committee) Lamar Alexander told Congress that it supported the restrictions because "there have been many instances of student aid abuse involving correspondence courses."

**Current Regulatory Definition of Correspondence Courses**

Correspondence course:

(1) A course provided by an institution under which the institution provides instructional materials, by mail or electronic transmission, including examinations on the materials, to students who are separated from the instructor. Interaction between the instructor and student is limited, is not regular and substantive, and is primarily initiated by the student. Correspondence courses are typically self-paced.

(2) If a course is part correspondence and part residential training, the Secretary considers the course to be a correspondence course.

However, in 1998, Congress created the Distance Education Demonstration Project to test the new potential of online education programs. By 2005, when the demonstration program was completed, 24 institutions of higher education were participating in the experiment, and enrollment growth increased by almost 700 percent (to over 63,000 students) for the eight institutions that participated in the program for the entire time. In its final [report](#) to Congress, the Bush Administration noted that, while it believed Congress should extend full federal aid eligibility to distance education programs, lawmakers should be careful to maintain a distinction between distance and correspondence education:

2005 Report to Congress on Distance Education [excerpt]

Quality standards for electronically-delivered education emphasize the importance of interaction between the instructor and student. The proposed definition of a telecommunications course acknowledges the importance of interactivity to the viability of electronically-delivered courses.

For the purposes of this subsection, a “telecommunications course” is one that uses one or a combination of technologies to (1) deliver instructional materials to students who are separated from the instructor, and (2) support regular and substantive interaction between these students and the instructor, either synchronously or asynchronously....

Shortly after that report was published, Congress did extend federal aid eligibility to distance education programs. And in 2008, during the reauthorization of the Higher Education Act, lawmakers adopted the Bush Administration’s proposed language about “regular and substantive interaction” nearly verbatim (see statutory definition below). The Department produced regulations identical to the statute requiring “regular and substantive interaction between the students and the instructor” in distance education programs (34 CFR 600.2).

Sec. 103(7)(A): Definition of Distance Education

(7) DISTANCE EDUCATION.— (A) IN GENERAL.—Except as otherwise provided, the term “distance education” means education that uses one or more of the technologies described in subparagraph



(B)—

- (i) to deliver instruction to students who are separated from the instructor; and
- (ii) to support regular and substantive interaction between the students and the instructor, synchronously or asynchronously.

CBE and Regular and Substantive Interaction

In 2014, the Department published a Dear Colleague Letter to clarify institutional requirements for competency-based education programs. In that guidance, the Department clarified that any CBE program must include regular and substantive interaction or else be subject to correspondence limitations. The agency also clarified that, to qualify as regular and substantive interaction, the interaction cannot be “wholly optional or initiated primarily by the student” and must be conducted by “institutional staff who meet accrediting agency standards for providing instruction in the subject matter being discussed.” (See DCL GEN-14-23)

Additionally, in 2014, the Department launched an experiment in competency-based education (CBE) under the Experimental Sites Initiative, which allows the agency to waive certain types of statutory or regulatory requirements for a limited number of institutions. Strictly for the institutions in the experiment, the Department [allotted](#) some additional flexibilities on regular and substantive interaction, requiring that institutions (1) have access to qualified faculty; and (2) be designed to ensure regular and substantive interaction between students and those faculty members. The guidance also notes that “[i]nteractions between a student and personnel who do not meet accrediting agency standards for providing instruction in the subject area” are not considered substantive interactions. Seventeen institutions are [currently](#) participating in the experiment.

The Office of the Inspector General has continued to show interest in the regular and substantive interaction requirements. In 2015, the IG published an [audit](#) of the Higher Learning Commission’s accreditation processes regarding competency-based programs, finding inadequate oversight of HLC-accredited CBE programs, especially around their compliance with regular and substantive interaction requirements. In 2016, its [audit](#) of another accrediting agency, the Western Association of Schools and Colleges (WASC) found that the agency needed to establish procedures to evaluate regular and substantive interaction because it wasn’t sufficiently able to identify correspondence programs. And in 2017, the IG produced an [audit](#) of the popular and politically influential Western Governors University, a fully online, competency-based institution of higher education. The audit found that the institution did not ensure regular and substantive interaction with instructors who were subject matter experts—those interactions were primarily by student mentors, who offered academic advising but not instruction or content expertise. As a result, the IG indicated that the institution does not meet the 50 percent restrictions on correspondence student enrollment, and is ineligible for federal financial aid. The audit conclusion rests with the Education Department, which will likely disregard the recommendation that the school be found ineligible.



The Trump Administration recently announced plans to rewrite the regulations around regular and substantive interaction requirements. Its proposed regulations would redefine what “regular” and “substantive” mean, and push responsibility for defining who qualifies as an “instructor” and for enforcement of the federal financial aid requirement entirely to accrediting agencies. But the risks of blurring the lines between distance and correspondence education are severe--and potentially very costly. To date, the Department has produced no results of its competency-based education experiment that offered new flexibilities; and weakening the boundaries between the programs could create the potential for low-quality, abusive, and wasteful correspondence programs to regain access to full federal aid eligibility.