




UNITED STATES  
OFFICE OF PERSONNEL MANAGEMENT  
WASHINGTON, DC 20415-1000

OFFICE OF THE DIRECTOR

May 13, 2004

MEMORANDUM FOR DEPARTMENT AND AGENCY HEADS

FROM: KAY COLES JAMES   
DIRECTOR

SUBJECT: Strengthening Oversight of the Use of Diploma Mill  
Credentials in Federal Employment

I have written to you on three occasions during the past year addressing the critical issues surrounding the use of credentials from so-called "diploma mills." There is also keen Congressional interest in this issue, especially by the Senate Committee on Governmental Affairs, under the leadership of Chairman Susan Collins, which held a hearing on this subject on May 11 and 12. At her request and that of Congressman Tom Davis, Chairman of the House Committee on Governmental Reform, the General Accounting Office has recently completed an investigation of how these phony degrees are used in Federal employment. This investigation revealed that some agencies are paying for their employees to receive bogus degrees from diploma mills. I appreciate the strong leadership and assistance both Senator Collins and Representative Davis have provided on this issue. Their efforts highlight the fact that this issue is of central importance to the entire Government, and one that requires the cooperative vigilance of both the executive and legislative branches to maintain the integrity of the civil service.

Diploma mills are non-traditional schools that are not accredited by accrediting institutions recognized by the Department of Education (DoED). They generally award degrees or certificates with little or no course work completed by the student. These institutions often award degrees based largely on an assessment of the student's life experience or cash payments and may translate those experiences into fraudulent curriculum transcripts, giving a false impression of a structured curriculum. In addition, some organizations simply sell counterfeit degrees, which would also fall into this category.

Our position is clear: there is no place in Federal employment for degrees or credentials from diploma mills. They may not be used to qualify for Federal jobs or salaries; you may not send employees to diploma mills for degree training or for any other form of education; you may not reimburse employees for tuition associated with these schools; you may not use your authority to repay student loans if the degree is from a diploma mill.

The Office of Personnel Management (OPM) has completed a review of the applicable statutes, regulations, policy documents, public information and forms within its jurisdiction to determine how we can strengthen and clarify how agencies, employees and applicants can become better informed of the issues relating to diploma mills. The review included OPM policies related to paying for academic degrees directly or through tuition reimbursement, repayment of student loans, employee training, higher education required to meet position qualification requirements, and the use of advanced education in the applicant ranking process. Further, we reviewed all

forms and instructions where this issue might surface. Finally, OPM has reviewed the background investigation process as it relates to verification of education claims and the standards for adjudicating investigations when bogus degrees were identified.

Four distinct categories of higher education were identified:

1. ***Conventional/Accredited***: Degree-granting schools that are accredited by accrediting institutions recognized by the Secretary of Education.
2. ***Non-Accredited/Pending Accreditation***: Schools that are not accredited by an accrediting institution recognized by DoED; but offer a curriculum for advanced learning similar to a conventional/accredited institution which enhance an individual's knowledge, skills and abilities for a position; and are in the process of seeking accreditation from an organization recognized by DoED and have received "pre-accreditation" or "candidate for accreditation" status.

These schools are not accredited by an accrediting institution recognized by DoED but are in the process of seeking accreditation from an organization recognized by DoED and have received "pre-accreditation" or "candidate for accreditation" status. Based on information from the Office of the Assistant Secretary for Postsecondary Education, DoED, reaching this step in the accreditation process requires substantial review and a rigorous test, and that most schools reaching this position are accredited. Such schools must establish that their resources, facilities, financial conditions, faculty, and courses of study are rigorous and legitimate.

3. ***Non-Accredited/Other***: Schools that generally have a traditional curriculum but have chosen not to seek accreditation and thus do not qualify under criteria 1 or 2. In addition, foreign institutions that offer courses of study comparable to institutions accredited by organizations recognized by DoED fall in this group. These institutions may be accredited by appropriate organizations in their home country, but not by organizations recognized by DoED.

OPM does not have the statutory authority, mission or capability of evaluating the quality of these programs. Without a fair and objective process to determine if the programs offered by these schools are equivalent to those that are fully accredited, or have received "pre-accreditation" or "candidate for accreditation" status, the human resources staff of the Executive Branch agencies cannot evaluate this education and determine whether it is qualifying for Federal employment purposes. Because we cannot evaluate these programs, at this time we are not in a position to determine whether training or education from "Non-Accredited/Other" schools meets the requirements set forth in law, regulation or policy for many of the activities described in this memorandum.

4. ***Non-Qualifying***: Non-traditional schools that are not accredited by accrediting institutions recognized by the Secretary of Education and that may award degrees or certificates with little or no course work completed by the student. These institutions

often award degrees based largely on an assessment of the student’s life experience or cash payments and may translate those experiences into fraudulent curriculum transcripts, giving a false impression of a structured curriculum. Education is considered *Non-Qualifying* if it is determined that it is not equivalent in content to Conventional/Accredited higher education programs. This group includes diploma mills and organizations that simply sell counterfeit degrees, which would also fall into this category.

Schools determined to be Non-Qualifying may or may not operate legally depending on State laws and their forming charter. In some instances, legal action has been taken to force these institutions out of operation and schools have been designated as “diploma mills.”

Based on the four categories of higher education defined (Conventional/Accredited, Non-Accredited/Pending Accreditation, Non-Accredited/Other, and Non-Qualifying), the applicability of each category to the following activities is explained below.

Activity	Consideration For	Conventional Accredited	Non-Accredited/Pending Accreditation	Non-Accredited/Other	Non-Qualifying (includes Diploma Mills)
Student Loan Repayment	<i>Pay</i>	Yes	No	No	No
Academic Degree Training Program	<i>Training</i>	Yes	No	No	No
Tuition Reimbursement or Employee Training	<i>Training</i>	Yes	Yes	Yes	No
Position Qualification Requirements (including Student Educational Employment Programs (SEEP))	<i>Qualification (Eligibility for SEEP)</i>	Yes	Yes (No for SEEP)	No	No

### Student Loan Repayment

Pursuant to 5 U.S.C. 4107 and 5379, OPM’s policy limits student loan repayment to colleges and universities that are accredited by nationally recognized bodies (i.e., Conventional/Accredited).

## **Academic Degree Training Programs**

Pursuant to 5 U.S.C. 4107, OPM's policy limits sending employees for degree training to colleges and universities that are accredited by nationally recognized bodies (i.e., Conventional/Accredited).

### **Employee Training/Training Reimbursement**

Employee training is not specifically limited to Conventional/Accredited schools. 5 CFR 410.601 states only that the agency head shall evaluate training to determine how well it meets short and long range program needs by occupations, organizations, or other appropriate groups. The agency head may conduct the evaluation in the manner and frequency he or she considers appropriate. Consequently, training may be obtained from Non-Accredited/Pending Accreditation and Non-Accredited/Other schools if the training content meets the agency program needs. An agency may reimburse employees for all or part of the costs of the training or education. (5 USC 4109 (a)(2))

### **Education To Meet Qualification Requirements**

Under OPM's Operating Manual, "Qualification Standards for General Schedule Positions," Section 4, education from degree-granting schools that are accredited by accrediting institutions recognized by the Secretary of Education satisfies degree or education requirements.

Degrees obtained from Non-Accredited/Pending Accreditation institutions may suffice if certain provisions are met. First, the school must fully meet the definition of Non-Accredited/Pending Accreditation. Employees or applicants can be required to provide written documentation of a school's status before the agency makes a judgment as to whether education is qualifying. This ensures that the course work is equivalent to conventional higher education programs of U.S. institutions.

OPM's education policy also details the provisions for assessing credits given for life experience under *Other Education*. The college or university must identify the course work area(s) or course(s) for which credit was given, and there must be a direct link between credit given and the course objective or syllabus. Life experience credit for courses that are not identified in the school's course catalog as part of the school's curriculum is not acceptable, unless the college or university is giving credit for course work that is a prerequisite for more advanced courses included in its curriculum.

OPM is revising and will issue changes to its handbooks, public information, and forms to clarify these issues. We are consulting with interested parties in this process. You will see changes in the following:

*POLICY GUIDANCE*

Delegated Examining Operations Handbook  
OPM Operating Manual, “Qualification Standards for General Schedule Positions”  
Training Policy Handbook (OPM web site)  
HR Flexibilities (OPM web site)  
Enterprise Human Resources Integration (EHRI) Initiative Training Data Elements  
INV-020 - Questions and Answers About Background Investigations

*OPM-CONTROLLED FORMS (Subject to publication and notice periods)*

OF 612 - Optional Application for Federal Employment  
OPM Form 1300 - Presidential Management Fellow Application  
Standard Forms (SF) 85/85P/86 - Questionnaire for Non-Sensitive/Public Trust/National Security Position  
OF 510 - Applying for a Federal Job  
IS-15 – Requesting OPM Personnel Investigations  
INV Form 43 - Investigation Request for Educational Registrar and Dean of Students Record Data

*ADVICE TO THE PUBLIC AND FEDERAL AGENCIES*

OPM.GOV  
USAJOBS - Resume and Vacancy Announcement Builder  
Resume Builder  
*VACANCY ANNOUNCEMENT BUILDER*  
Educational and Training Provisions or Requirements Fact Sheet

Your Department or Agency should ensure that it is following this guidance immediately. If you have any questions, please have your Chief Human Capital Officer contact the Human Capital Leadership and Merit System Accountability Division Deputy Associate Director assigned to your agency. OPM presented a half-day seminar on these issues on May 5 and 7. If there is sufficient interest, we will be happy to present additional seminars, in Washington, DC or, in coordination with you, at sites outside of Washington where sufficient attendance will be available.

cc: Chief Human Capital Officers  
Human Resources Directors  
Personnel Security Directors