

Sherman's Financial Woes -- The CCE/SCASA Dilemma

Steve Kelly, managing editor

The Herald-Journal (Spartanburg, South Carolina) of May 4, 1991 ran a front page story, "College spends employee retirement funds," reporting that Sherman officials used \$10,000 earmarked for the school's employee retirement account to cover operating costs of the college.

Dr. Thomas Gelardi, president of Sherman College of Straight Chiropractic, explained to the Spartanburg press that due to decreased enrollment, there wasn't enough money to maintain the existing retirement account. But instead of suspending the fund, the college decided to set aside an account of what "would have" gone into the retirement account, and when and if the financial picture improved, the designated "would have" money could be placed back into the retirement fund account.

The \$10,000 was taken from this "would have" pile and used to keep the school operating. Dr. Gelardi reported a special account has been set up to replace the \$10,000 by the end of the year, or early next year.

The Herald-Journal further reported a delay in pay for many of the 50 employees of the college. When money gets tight a personnel cut is sure to follow: Sherman laid-off one full-time employee and three part-time employees.

Although the financial squeeze at Sherman got the front page headlines in Spartanburg, it's intriguing to speculate how much of Sherman's current difficulties are due to the adverse impact of the CCE/SCASA accreditation turmoil.

SCASA, which originated in 1977, did not get federal recognition until August of 1988, for a two year period. Last November the National Advisory Committee (NAC) on Accreditation and Institutional Eligibility recommended SCASA not be reapproved by the U.S. Department of Education (USDE) as a post secondary accrediting agency. Acting on this recommendation, U.S. Education Secretary Lamar Alexander has forced SCASA to "show cause" why its accreditation should not be withdrawn. (See May 24, 1991 issue of "DC"). A date for the show cause hearing has not been set as of this writing, but SCASA must respond to the order by September 16, 1991.

SCASA's tenuous hold on federal accreditation has predictably resulted in a decrease in enrollment at Sherman. It was the decrease in enrollment, as Dr. Gelardi stated, that put the retirement fund on hold. The use of the retirement funds, the delayed employee paychecks, and the layoffs paint a bleak future for Sherman unless enrollment substantially increases; the only way that may happen is if SCASA is successful in the show cause hearing or if Sherman receives CCE accreditation.

Despite SCASA being backed into the proverbial corner, Dr. Gelardi in his comments to "DC" was optimistic: "I believe that sufficient information can be presented that SCASA substantially meets the secretary's criteria for recognition. The public hearing held by the NAC was turned into a circus by the NAC and expensive lobbying of CCE and ACA. Fortunately, the show cause hearing will deal with verifiable facts."

On CCE/SCASA working together to find standards acceptable to both parties, Dr. Gelardi said: "It should not be difficult to develop standards that could be applied to the institutional mission of a National, Cleveland or Sherman College, if that is the sincere desire. The real question is: Has the profession matured enough to begin distancing its colleges and accrediting agencies from trade association politics?"

Dr. Gelardi adds: "SCASA colleges have always supported the idea that the profession would be served best by one accrediting agency, if that agency were educationally rather than politically inclined."

James Healey, D.C., former president of SCASA had a different view, which he expressed in an article, "Two Agencies Are Necessary." (Feb. 28, 1990 issue of "DC"). "It is readily obvious that there are two schools of thought within the profession. It was apparent that CCE was meeting the accreditation needs of only one of those schools of thought. CCE had (and still has) no standards appropriate to colleges wishing to provide a straight chiropractic program."

Dr. Gelardi states: "An accrediting agency should not have standards that intrude upon an institution's mission. It should focus on the quality of the educational process and educational outcomes in terms of an institution's own mission. ... Let us hope that...CCE will modify those of its standards that are so prescriptive as to serve as a 'mixer' litmus test. If CCE is not willing to do this, it should redefine its scope of activity and the USDE should continue SCASA's recognition."

Will the accreditation question finally be resolved? An end to the detrimental CCE/SCASA infighting is at hand. With the CCE's accreditation renewal by the USDE coming up in October, and SCASA's "show cause" hearing in September, now is the propitious moment for the profession to get its accreditation house in order.

According to Dr. Gelardi, CCE stated to the USDE that it is now willing to modify its educational standards to accommodate the full chiropractic community. At the urging of the USDE, CCE and SCASA have entered into discussions that point to an amenable resolution. Those areas under consideration, says Dr. Gelardi, have to do with institutional autonomy and do not effect the quality of the standards. The two parties are attempting to modify standards that apply to programs based on what SCASA sees as the CCE therapeutic model. The CCE/SCASA representatives must successfully integrate the SCASA non-therapeutic model into the CCE standards if the profession is to consolidate under one accrediting body.

The impact of these talks are monumentally important to the profession. The talks will in turn influence the USDE's decision on both CCE and SCASA accreditation.

Perhaps the accreditation issue is best summed up by Dr. Gelardi when he says, "It is the students and health care consumers who, through their patronage, will ultimately decide the kind of chiropractor they want to be...I have a feeling that they will be as divided on the issue as are chiropractors."

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