



**U.S. DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
ACCREDITATION AND STATE LIAISON**

GUIDE TO THE ACCREDITING AGENCY RECOGNITION PROCESS

February 2010

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I. Purpose

This Guide was developed to assist agencies seeking recognition from the U. S. Secretary of Education as reliable authorities of the quality of education or training provided by the institutions of higher education and the higher education programs they accredit. We hope this Guide will be helpful, but it does not supersede applicable regulations. If there is any apparent inconsistency, the regulations are controlling. Additional information, not addressed in this Guide, may be needed to enable your agency to demonstrate that it meets the regulatory Criteria for Recognition (criteria) found in Part 602 of Title 34 of the Code of Federal Regulations.

The Department may update this Guide from time to time if omissions become evident. In recognition proceedings, the Department includes within the record and considers relevant matters in addition to agency submissions, including but not limited to evidence obtained from the Office of Federal Student Aid, from third party commenters, and from other sources as to agency performance.

II. Policy

The recognition process is governed by the Higher Education Act of 1965, as amended (HEA), and implementing regulations in 34 CFR Part 602. All agencies seeking initial recognition or re-recognition must submit their responses to all criteria under Part B of Part 602 to the Department of Education, Accreditation and State Liaison Staff, Accrediting Agency Evaluation Unit, 1990 K Street N.W., Washington, DC 20006. Access to the Department's Web site for electronic submission of the petition is located at: <http://opeweb.ed.gov/aslweb/>.

III. Governing Law

20 U.S.C. 1099b, as amended most recently by the Higher Education Opportunity Act of 2008, effective August 14, 2008

34 CFR Part 602, The Secretary's Recognition of Accrediting Agencies, effective July 1, 2010

IV. Applicability

This Guide applies to any postsecondary accrediting agency seeking recognition from the U.S. Secretary of Education as a reliable authority of the quality of education or training provided by the institutions of higher education and programs it accredits. Postsecondary educational institutions and educational programs accredited by recognized accrediting agencies may be eligible to apply to participate in federal programs and students attending these institutions may be eligible for federal financial aid. (Additionally, applicants seeking federal employment, federal tuition reimbursement and/or federal student loan repayment under various federal programs must have attended an institution accredited by a recognized accrediting agency.) The Guide does not apply to Department of Education review of State agencies for the approval of

public postsecondary vocational education under 20 USC 1094(c)(4) and 34 CFR Part 603, nor to review of State agencies for the approval of nurse education under the Public Health Service Act, 42 USC 296.

V. Responsibilities

- A. The Department of Education, Office of Postsecondary Education, Accreditation and State Liaison Staff, Accrediting Agency Evaluation Unit is responsible for the review and evaluation of accrediting agencies' compliance with the criteria for recognition and for their effective application of those criteria, and forwarding a recognition recommendation to the Senior Department Official, a copy of which is provided to the National Advisory Committee on Institutional Quality and Integrity (NACIQI). Contact the Chief, Accrediting Agency Evaluation Unit at 202-219-7011; or Carol.Griffiths@ed.gov for additional information.
- B. The NACIQI is responsible for the review and evaluation of accrediting agencies' compliance with the criteria for recognition and for their effective application of those criteria, and for forwarding a recognition recommendation to the Senior Department Official. Contact the Executive Director, NACIQI at 202-219-7011, or Melissa.Lewis@ed.gov for additional information.

VI. Document Outline

This Guide is divided into two parts, corresponding to Subparts A and B of the regulations governing the Secretary's recognition of accrediting agencies:

Part A – General information and definitions (34 CFR 602.1 - 602.3)

Part B – The Criteria for Recognition

- Basic Eligibility Requirements (34 CFR 602.10 – 602.13)
- Organization and Administrative Requirements (34 CFR 602.14 – 602.15)
- Required Standards and their Application (34 CFR 602.16 – 602.21)
- Required Operating Policies and Procedures (34 CFR 602.22 –602.28)

Part A consists of the regulations from 34 CFR 602.1, 602.2 and 602.3 without interpretive commentary. The regulations are self-explanatory.

Part B consists of the regulations from 34 CFR 602.10 through 602.28, in boxed form, followed by information about how the Department of Education interprets the regulations and suggestions of the kinds of documentation an agency might provide in its application to demonstrate its compliance with each of the regulatory requirements. The list of suggested documentation for each of the regulations is not definitive. An agency may determine that other types of documentation better demonstrate its compliance and, if so, that documentation should be included in the agency's submission.

VII. The Secretary's Recognition of Accrediting Agencies

PART A - GENERAL INFORMATION AND DEFINITIONS

§602.1 Why does the Secretary recognize accrediting agencies?

- (a) The Secretary recognizes accrediting agencies to ensure that these agencies are, for the purposes of the Higher Education Act of 1965, as amended (HEA), or for other Federal purposes, reliable authorities regarding the quality of education or training offered by the institutions or programs they accredit.
- (b) The Secretary lists an agency as a nationally recognized accrediting agency if the agency meets the criteria for recognition listed in subpart B of this part.

§602.2 How do I know which agencies the Secretary recognizes?

- (a) Periodically, the Secretary publishes a list of recognized agencies in the Federal Register, together with each agency's scope of recognition. You may obtain a copy of the list from the Department at any time. The list is also available on the Department's Web site.
- (b) If the Secretary denies continued recognition to a previously recognized agency, or if the Secretary limits, suspends, or terminates the agency's recognition before the end of its recognition period, the Secretary publishes a notice of that action in the Federal Register. The Secretary also makes the reasons for the action available to the public, on request.

§602.3 What definitions apply to this part?

The following definitions apply to this part:

Accreditation means the status of public recognition that an accrediting agency grants to an educational institution or program that meets the agency's standards and requirements.

Accrediting agency or agency means a legal entity, or that part of a legal entity, that conducts accrediting activities through voluntary, non-Federal peer review and makes decisions concerning the accreditation or preaccreditation status of institutions, programs, or both.

Act means the Higher Education Act of 1965, as amended.

Adverse accrediting action or adverse action means the denial, withdrawal, suspension, revocation, or termination of accreditation or preaccreditation, or any comparable accrediting action an agency may take against an institution or program.

Advisory Committee means the National Advisory Committee on Institutional Quality and Integrity (NACIQI).

Branch campus means a location of an institution that meets the definition of branch campus in 34 CFR 600.2.¹

Compliance report means a written report that the Department requires an agency to file to demonstrate that the agency has addressed deficiencies specified in a decision letter from the senior department official or the Secretary.

Correspondence education means:

- (1) Education provided through one or more courses 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.
- (2) Interaction between the instructor and the student is limited, is not regular and substantive, and is primarily initiated by the student.
- (3) Correspondence courses are typically self-paced.
- (4) Correspondence education is not distance education.

Designated Federal Official means the Federal officer designated under section 10(f) of the Federal Advisory Committee Act, 5 U.S.C. Appdx. 1.

Direct assessment program means an instructional program that, in lieu of credit hours or clock hours as a measure of student learning, utilizes direct assessment of student learning, or recognizes the direct assessment of student learning by others, and meets the conditions of 34 CFR 668.10. For title VI, HEA purposes, the institution must obtain approval for the direct assessment program from the Secretary under 34 CFR 668.10(g) or (h) as applicable. As part of that approval, the accrediting agency must--

- (1) Evaluate the program(s) and include them in the institution's grant of accreditation or preaccreditation; and
- (2) Review and approve the institution's claim of each direct assessment program's equivalence in terms of credit or clock hours.

Distance education means education that uses one or more of the technologies listed in paragraphs (1) through (4) to deliver instruction to students who are separated from the instructor and to support regular and substantive interaction between the students and the instructor, either synchronously or asynchronously. The technologies may include--

- (1) The internet;

¹34 CFR 600.2 provides as follows, as relevant here: *Branch Campus*: A location of an institution that is geographically apart and independent of the main campus of that institution. The Secretary considers a location of an institution to be independent of the main campus if the location--(1) Is permanent in nature; (2) Offers courses in educational programs leading to a degree, certificate, or other recognized educational credential; (3) Has its own faculty and administrative or supervisory organization; and (4) Has its own budgetary and hiring authority.

- (2) One-way and two-way transmissions through open broadcast, closed circuit, cable, microwave, broadband lines, fiber optics, satellite, or wireless communications devices;
- (3) Audioconferencing; or
- (4) Video cassettes, DVDs, and CD-ROMs, if the cassettes, DVDs, or CD-ROMs are used in a course in conjunction with any of the technologies listed in paragraphs (1) through (3).

Final accrediting action means a final determination by an accrediting agency regarding the accreditation or preaccreditation status of an institution or program. A final accrediting action is not appealable within the agency.

Institution of higher education or institution means an educational institution that qualifies, or may qualify, as an eligible institution under 34 CFR Part 600.²

Institutional accrediting agency means an agency that accredits institutions of higher education.

Nationally recognized accrediting agency, nationally recognized agency, or recognized agency means an accrediting agency that the Secretary recognizes under this part.

Preaccreditation means the status of public recognition that an accrediting agency grants to an institution or program for a limited period of time that signifies the agency has determined that the institution or program is progressing towards accreditation and is likely to attain accreditation before the expiration of that limited period of time.

Program means a postsecondary educational program offered by an institution of higher education that leads to an academic or professional degree, certificate, or other recognized educational credential.

Programmatic accrediting agency means an agency that accredits specific educational programs that prepare students for entry into a profession, occupation, or vocation.

Recognition means an unappealed determination by the senior Department official under §602.36, or a determination by the Secretary on appeal under §602.37, that an accrediting agency complies with the criteria for recognition listed in subpart B of this part and that the agency is effective in its application of those criteria. A grant of recognition to an agency as a reliable authority regarding the quality of education or training offered by institutions or programs it accredits remains in effect for the term granted except upon a determination made in accordance with subpart C of this part that the agency no longer complies with the subpart B criteria or that it has become ineffective in its application of those criteria.

Representative of the public means a person who is not--

² See 34 CFR 600.4, "Institution of Higher Education"; 34 CFR 600.5, "Proprietary Institution of Higher Education"; and 34 CFR 600.6, "Postsecondary Vocational Institution."

- (1) An employee, member of the governing board, owner, or shareholder of, or consultant to, an institution or program that either is accredited or preaccredited by the agency or has applied for accreditation or preaccreditation;
- (2) A member of any trade association or membership organization related to, affiliated with, or associated with the agency; or
- (3) A spouse, parent, child, or sibling of an individual identified in paragraph (1) or (2) of this definition.

Scope of recognition or scope means the range of accrediting activities for which the Secretary recognizes an agency. The Secretary may place a limitation on the scope of an agency's recognition for Title IV, HEA purposes. The Secretary's designation of scope defines the recognition granted according to--

- (1) Geographic area of accrediting activities;
- (2) Types of degrees and certificates covered;
- (3) Types of institutions and programs covered;
- (4) Types of preaccreditation status covered, if any; and
- (5) Coverage of accrediting activities related to distance education or correspondence education, if any.

Secretary means the Secretary of the U.S. Department of Education or any official or employee of the Department acting for the Secretary under a delegation of authority.

Senior Department official means the senior official in the U.S. Department of Education who reports directly to the Secretary regarding accrediting agency recognition.

State means a State of the Union, American Samoa, the Commonwealth of Puerto Rico, the District of Columbia, Guam, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau. The latter three are also known as the Freely Associated States.

Teach-out agreement means a written agreement between institutions that provides for the equitable treatment of students and a reasonable opportunity for students to complete their program of study if an institution, or an institutional location that provides one hundred percent of at least one program offered, ceases to operate before all enrolled students have completed their program of study.

Teach-out plan means a written plan developed by an institution that provides for the equitable treatment of students if an institution, or an institutional location that provides one hundred percent of at least one program, ceases to operate before all students have completed their

program of study, and may include, if required by the institution's accrediting agency, a teach-out agreement between institutions.

PART B - THE CRITERIA FOR RECOGNITION

In its application for recognition or renewal of recognition, the agency must address each of the criteria for recognition, including each of the subsections, in a logical sequence. The application should be complete in all aspects, and as clear as possible, to avoid miscommunication and the need for inferences. If the term “policy,” “procedure” or “process” is used, please provide a detailed description of the policy, procedure or process and information about where it can be found in agency documentation. All responses and documentation must be submitted electronically at: <http://opeweb.ed.gov/aslweb/>.

BASIC ELIGIBILITY REQUIREMENTS

§602.10 Link to Federal programs.

The agency must demonstrate that—

- (a) **If the agency accredits institutions of higher education, its accreditation is a required element in enabling at least one of those institutions to establish eligibility to participate in HEA programs; or**
- (b) **If the agency accredits institutions of higher education or higher education programs, or both, its accreditation is a required element in enabling at least one of those entities to establish eligibility to participate in non-HEA Federal programs.**

Compliance Factors

Institutional accrediting agencies that seek initial recognition to permit accredited or preaccredited institutions to participate in HEA programs should provide--

- The names of the HEA program(s) for which the agency believes its accreditation or preaccreditation satisfies or will satisfy a required element of institutional eligibility, and a citation to and text of the eligibility requirement(s)
- The names of institution(s) the agency has accredited or preaccredited
- The names of accredited institutions that have committed to the agency to use the agency's accreditation or preaccreditation to establish eligibility to participate in one or more HEA programs within two years of the agency's recognition
- A description of how the agency's accredited institutions meet the definition of "institution of higher education" in 34 CFR 600.4, or of "proprietary institution of higher education" in 34 CFR 600.5, or of "postsecondary vocational institution" in 34 CFR 600.6

Suggested Documentation

- Letter granting accreditation or preaccreditation to one or more institution(s)
- Letter from an accredited institution indicating that it will apply to participate in the Title IV, HEA programs identifying the agency as its primary accreditor for Title IV purposes and the expected date for doing so
- Letter from an institution the agency has accredited indicating that it will use accreditation or preaccreditation by the agency to meet an eligibility requirement for some other HEA program, and the expected date for submission of the institution's application

Institutional accrediting agencies that seek continued recognition to permit accredited or preaccredited institutions to participate in HEA programs should provide--

- Evidence that a number of institutions rely on the agency's accreditation to participate in one or more HEA programs, or
- If the agency does not currently accredit any institutions that rely on its accreditation to participate in HEA programs, evidence of commitment by an institution to do so in the future that identifies the HEA program(s) and cites the eligibility requirement(s) in question, together with evidence that the gap in the agency's accreditation of such an institution is unlikely to exceed two years.

Suggested Documentation

- Current program participation agreement(s) for accredited or preaccredited institutions
- Evidence that an accredited or preaccredited institution has an application to establish eligibility under review in the Office of Federal Student Aid
- Evidence of participation by an accredited or preaccredited institution in other HEA programs, or of applications by the institution to do so, and that the institution relies on the agency's accreditation or preaccreditation for this purpose

Programmatic and institutional accrediting agencies that seek initial recognition to permit accredited or preaccredited institutions or programs to participate in non-HEA Federal programs should--

- Identify and describe at least one Federal program that specifically requires accreditation by an agency recognized by the U. S. Secretary of Education as a prerequisite to establishing eligibility to participate in the non-HEA program (e.g., Health and Human Services grants, National Institutes of Health tuition repayment, Veterans Administration education benefits), or for which that agency's accreditation or preaccreditation would satisfy a required element of eligibility for participation by the institution or program.
- Provide the name of at least one accredited institution or program that establishes eligibility to participate in the non-HEA Federal program based on the agency's accreditation or preaccreditation, or that has committed to establish such eligibility within two years of the agency's recognition.

Suggested Documentation

- A letter granting accreditation or preaccreditation to at least one institution
- A copy of the specific portion of the authorizing law and other Federal documents (e.g., regulations) that evidence that accreditation by that agency would satisfy an eligibility

requirement for participation in the non-HEA Federal program

- Letter from an accredited institution or program indicating that it will apply to participate in the non-HEA Federal program, the expected date for doing so and the estimated time for a decision on the application

Programmatic and institutional accrediting agencies that seek continued recognition to permit accredited or preaccredited institutions or programs to participate in non-HEA Federal programs should--

- Identify and describe at least one Federal program that specifically requires accreditation by an agency recognized by the U. S. Secretary of Education as a prerequisite to establishing eligibility to participate in the non-HEA Federal program, or for which that agency's accreditation or preaccreditation would satisfy a required element of eligibility for the institution or program.
- Provide the total number, and the names and locations (state) of the accredited institutions or programs that currently participate in the non-HEA Federal program.
- If the agency does not currently accredit any institutions or programs that rely on its accreditation or preaccreditation to participate in non-HEA Federal programs, provide evidence of commitment by an institution or program to do so in the future that identifies the HEA program or programs and cites the eligibility requirements in question, together with evidence that the gap in the agency's accreditation of such an institution or program is unlikely to exceed two years.

Suggested Documentation

- A copy of the specific portion of the authorizing law and other Federal documents (e.g., regulations) that evidences that accreditation or preaccreditation by that agency is required for participation in the non-HEA Federal program
- Documents of institutions' and/or programs' eligibility and participation in the non-HEA Federal program (e.g., grant acceptance letters), or of applications by the institution or program to participate, and that the institution or program relies on the agency's accreditation or preaccreditation for this purpose

§602.11 Geographic scope of accrediting activities.

The agency must demonstrate that its accrediting activities cover--

- (a) **A State, if the agency is part of a State government;**
- (b) **A region of the United States that includes at least three States that are reasonably close to one another; or**
- (c) **The United States.**

Compliance Factors

- The accrediting agency must demonstrate that its accrediting activities cover a specific area of the United States as described in its proposed or existing scope of its recognition.

- If an agency has or requests a geographic scope covering a region of the U.S. it must demonstrate that it accredits institutions or programs in at least three States in that region that are reasonably close to one another, and identify those States.
- If an agency has or requests a national scope, the agency must provide evidence that it accredits institutions or programs across the U.S. or in multiple areas within the U.S.
- The geographic breadth of the agency's accrediting activities should be described in the agency's official documents.

Suggested Documentation

- A copy of the agency's by-laws, constitution, charter, or other governing documents authorizing the agency to accredit institutions/programs in the specific geographic area for which it seeks recognition
- A list of accredited programs and institutions and their locations
- Documentation from the agency demonstrating that it is a component of a State government and that its accrediting activities cover the State (applies only to the New York Board of Regents)

§602.12 Accrediting experience.

(a) An agency seeking initial recognition must demonstrate that it has--

(1) Granted accreditation or preaccreditation--

(i) To one or more institutions if it is requesting recognition as an institutional accrediting agency and to one or more programs if it is requesting recognition as a programmatic accrediting agency;

(ii) That covers the range of the specific degrees, certificates, institutions, and programs for which it seeks recognition; and

(iii) In the geographic area for which it seeks recognition; and

(2) Conducted accrediting activities, including deciding whether to grant or deny accreditation or preaccreditation, for at least two years prior to seeking recognition.

(b) A recognized agency seeking an expansion of its scope of recognition must demonstrate that it has granted accreditation or preaccreditation covering the range of the specific degrees, certificates, institutions, and programs for which it seeks the expansion of scope.

Compliance Factors

Initial recognition

- The agency has conducted accrediting activities covering its requested scope of recognition, including the accreditation or preaccreditation of at least one institution or program.

- The agency has conducted accrediting activities within the geographic scope for which it seeks recognition.
- The agency has conducted accrediting activities for at least two years prior to applying for recognition. This may include but is not limited to training, accreditation reviews, standards review and revision, and accreditation decisions.

Expansion of scope (other than an expansion by written notice to include distance education or correspondence education)

- The agency has evaluated and granted accreditation or preaccreditation to institutions/programs that cover the range of the requested expansion of scope.
- The agency can demonstrate that it has in place all applicable policies, procedures and standards for the review and evaluation of programs and institutions that would be included in the requested expansion of its scope.

Suggested Documentation

- A clear statement of the range of the degrees, certificates and types of institutions and/or programs for which it seeks recognition, as well as the geographic scope of recognition it seeks
- Documentation that the agency has been conducting accrediting activities covering its requested scope of recognition or requested expansion of scope for at least two years
- Copies of accrediting decision letters
- A clear statement of the requested expansion of scope
- Agency policies, procedures, and standards applicable to the requested expansion of scope

§602.13 Acceptance of the agency by others.

The agency must demonstrate that its standards, policies, procedures, and decisions to grant or deny accreditation are widely accepted in the United States by--

- (a) Educators and educational institutions; and**
- (b) Licensing bodies, practitioners, and employers in the professional or vocational fields for which the educational institutions or programs within the agency's jurisdiction prepare their students.**

Compliance Factors

Educators

Educators are groups or individual(s) whose *current and primary* occupation is in an academic or administrative position in educational or education-related settings, primarily at the postsecondary level. Demonstration of acceptance by educators may include --

- Participation by educators on the agency's site visit teams, commissions, and other committees
- Participation by educators in the agency's review and revision of standards and/or agency policies and procedures

- Representation in agency activities of educators in fields or activities that align with the agency's current and/or requested scope
- Wide geographic and institutional diversity of the educators involved with the accrediting agency (geographic location, member and/or non-member educators)

Suggested Documentation

- Letters of support to the agency from educators in the agency's accredited programs or institutions
- Letters of support to the agency from educators from outside of the agency's accredited programs or institutions
- Examples of site visit teams or other committees on which educators serve
- Evidence of educator participation in the review and revision of agency standards or policies

Educational Institutions

Educational institutions are the agency's accredited institutions and programs, other accredited institutions or programs, and educational associations in which the agency is a member.

Suggested Documentation

- A web link to or a copy of the agency's directory of accredited institutions or programs
- Letters of support from administrators on behalf of educational institutions that acknowledge their acceptance of agency policies, procedures, and accreditation decisions
- Documentation of the acceptance by higher education associations representing educational institutions, if applicable

Licensing Bodies

Licensing bodies are predominantly governmental entities that issue occupational or professional licenses, registrations, permits, or certificates.

- The name(s) of the relevant licensing body or bodies
- If applicable, that graduation from a program or institution accredited by the agency is a requirement to sit for a state exam and/or to obtain a license

Suggested Documentation

- Letters of support from an authorized representative of the licensing body acknowledging that it finds the work of the agency valuable
- Documentation of state licensure requirements, especially if graduation from an agency-accredited program is a prerequisite for licensure

Practitioners

Practitioners are individuals who spend the majority (greater than 50%) of a fulltime workweek working in the occupation. Demonstration of acceptance by practitioners may include--

- Participation of practitioners on agency visit teams, commissions, and other committees
- Participation of practitioners in the agency's review and revision of standards and/or agency policies and procedures

- Representation in agency activities of practitioners in fields or activities that align with the agency's current and/or requested scope
- Wide geographic breadth of the practitioners involved with the accrediting agency
- Acceptance of the agency by a practitioner-based professional association

Suggested Documentation

- Letters of support from practitioners stating acceptance of agency policies, procedures, and accreditation decisions
- Letter(s) of support from practitioner professional organization
- Evidence of practitioner involvement in agency site visit evaluation teams, committees, and review and revision of standards, such as:
 - Site visit team rosters
 - Committee members
 - Attendance of practitioners at agency-sponsored trainings, briefings, etc.

Employers

Demonstration of acceptance by employers may include--

- Participation of employers on agency visit teams, commissions, and other committees
- Participation of employers in the agency's review and revision of standards and/or agency policies and procedures
- Representation in agency activities of employers from types of organizations that are aligned with the agency's current and/or requested scope
- Representation of employers in accrediting agency activities from the geographic area included in the agency's current and/or requested scope
- Affiliation of the agency with an employer-based association
- If applicable, evidence that graduation from a program or institution accredited or preaccredited by the agency is a requirement for seeking employment (e.g., State Departments of Education, Federal government, etc.)
- Involvement of advisory councils that include employers and other groups in the activities of accredited programs and/or institutions

Suggested Documentation

- Letters of support from employers and employer organizations stating acceptance of agency policies, procedures, and accreditation decisions
- Evidence of employer involvement in agency site visit evaluation teams, committees, and review and revision of standards, such as site visit team or Committee membership rosters
- Attendance of employers at agency-sponsored trainings, briefings, etc.
- Job announcements or other documentation that evidence that graduation from a program or institution accredited by the agency is a prerequisite for employment

NOTE: The regulations specifically state that an agency's standards, policies, procedures and decisions must be "widely accepted in the U.S." by specific groups. When evaluating "wide acceptance," consider the following:

- Acceptance by well-known institutions and other entities that support the agency's standards
- Acceptance of the agency by individuals, institutions, practitioners, and others that are not immediately linked to the agency's operations (acceptance of the agency beyond itself)

This does not necessarily require acceptance by 100% of the agency's constituents/communities of interest. However, the agency's application and supporting documentation must evidence that each of the applicable groups generally accepts the agency's policies, procedures, accreditation standards, and decisions.

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ORGANIZATIONAL AND ADMINISTRATIVE REQUIREMENTS

§602.14 Purpose and organization.

(a) The Secretary recognizes only the following four categories of agencies:

The Secretary recognizes...	that...
(1) An accrediting agency	<p>(i) Has a voluntary membership of institutions of higher education;</p> <p>(ii) Has as a principal purpose the accrediting of institutions of higher education and that accreditation is a required element in enabling those institutions to participate in HEA programs; and</p> <p>(iii) Satisfies the “separate and independent” requirements in paragraph (b) of this section.</p>
(2) An accrediting agency	<p>(i) Has a voluntary membership; and</p> <p>(ii) Has as its principal purpose the accrediting of higher education programs, or higher education programs and institutions of higher education, and that accreditation is a required element in enabling those entities to participate in non-HEA Federal programs.</p>
(3) An accrediting agency	<p>for purposes of determining eligibility for Title IV, HEA programs--</p> <p>(i) Either has a voluntary membership of individuals participating in a profession or has as its principal purpose the accrediting of programs within institutions that are accredited by a nationally recognized accrediting agency; and</p> <p>(ii) Either satisfies the “separate and independent” requirements in paragraph (b) of this section or obtains a waiver of those requirements under paragraphs (d) and (e) of this section.</p>
(4) A State agency	<p>(i) Has as a principal purpose the accrediting of institutions of higher education, higher education programs, or both; and</p> <p>(ii) The Secretary listed as a nationally recognized accrediting agency on or before October 1, 1991 and has recognized continuously since that date.</p>

Compliance Factors

The agency must meet all of the requirements of one of the four categories and demonstrate how it meets all of the elements required for that category.

- For (a)(1), an agency must demonstrate that it has a voluntary membership of institutions and an HEA purpose (including enabling, through its accreditation, a substantial portion of its accredited institutions to participate in HEA programs) and must satisfy all of the separate and independent requirements.
- For (a)(2), an agency must demonstrate that it has a voluntary membership of institutions OR programs and a non-HEA Federal purpose (including enabling, through its accreditation, a substantial portion of its accredited institutions and programs to participate in non-HEA Federal programs).
- For (a)(3), an agency must demonstrate that it has a Title IV, HEA purpose (including enabling, through its accreditation, institutions to participate in the Title IV, HEA programs); has either a voluntary membership of individuals participating in a profession OR has as its principal purpose accrediting professional programs within institutions accredited by a nationally recognized agency (it must also accredit institutions); and either satisfies separate and independent requirements or, if it has been continuously recognized since before October 1, 1991, applies for an satisfies the prerequisites for a waiver of those requirements.
- For (a)(4), only the New York Board of Regents is eligible for this category.

Suggested Documentation

- By-laws, articles of incorporation, or policies verifying that the agency has a voluntary membership and articulates its principal purpose
- List of the accredited institutions and programs to establish that they meet the requirements of the stated category
- Evidence that establishes the HEA, non-HEA, or Title IV programs in which its accredited institutions (or programs, if applicable) are using.

§602.14 (b) For purposes of this section, the term separate and independent means that--

(1) The members of the agency's decision-making body--who decide the accreditation or preaccreditation status of institutions or programs, establish the agency's accreditation policies, or both--are not elected or selected by the board or chief executive officer of any related, associated, or affiliated trade association or membership organization;

(2) At least one member of the agency's decision-making body is a representative of the public, and at least one-seventh of that body consists of representatives of the public;

(3) The agency has established and implemented guidelines for each member of the decision-making body to avoid conflicts of interest in making decisions;

(4) The agency's dues are paid separately from any dues paid to any related, associated, or affiliated trade association or membership organization; and

(5) The agency develops and determines its own budget, with no review by or consultation with any other entity or organization.

Compliance Factors

Agencies that claim category (a)(1), or both category (a)(1) and (a)(3), in 602.14(a), must meet the separate and independent requirements; agencies that claim category (a)(3) must either meet the separate and independent requirements or successfully apply for a waiver under §602.14(d) and (e), as detailed on page 20 of this Guide. Compliance factors for the separate and independent requirements are as follows:

- Members of the agency's decision-making body or bodies cannot be appointed or elected by the Board or CEO of any related, associated, or affiliated trade association or membership organization. An entity is a decision-making body if it makes final decisions for the agency on either policy matters or accreditation status, or both.
- Members may be elected or selected by the membership of related, associated, or affiliated association or a membership organization that has accreditation as its sole purpose.
- When there are separate policy-making and accreditation decision-making bodies, the agency must demonstrate that related trade or membership organizations do not appoint any members to any of the decision-making bodies. Decision-making bodies should not have interlocks with the decision-making bodies of related trade or membership organizations.
- At least one member and at least one-seventh of the agency's decision-making body(ies) must consist of representatives of the public. The agency's definition of a public member must meet the Department's definition (see 34 CFR §602.3).
- The agency must have comprehensive, clearly stated conflict-of-interest guidelines for members of its decision-making body(ies). It is expected that the agency's guidelines provide examples of what it considers to be conflicts of interest, which must include those circumstances that are commonly accepted as presenting a conflict of interest.
- Membership dues are paid separately to the accrediting agency from any dues that the membership may pay to a related, associated, or affiliated trade association or membership organization.
- The agency determines how to spend its own budget with no involvement from any organization or entity.

Suggested Documentation

- Documents identifying the names of the agency's related, affiliated, or associated trade associations or membership organizations
- By-laws, charter, or any other document that identifies the composition of the agency's policy and decision-making bodies, including appeals panels
- Membership rosters of the agency's decision-making body(ies) that describe members' current positions and identifies which members represent the public

- Agency's policies and procedures for the selection of its policy and decision-making bodies
- Documents containing the agency's definition of "representative of the public" and documentation that at least 1/7 of the members of the agency's policy and decision-making bodies are representatives of the public
- Conflict-of-interest policies that apply to policy and decision-making bodies (including appeals panels)
- Evidence that the agency adheres to its conflict-of-interest policy (e.g., relevant meeting minutes or conflict-of-interest statements signed by the members of its decision-making body(ies))
- Policy and procedures describing for development and approval of the agency's budget
- A copy of the agency's approved budget
- A copy of a completed receipt for dues and/or fees
- Policy and procedures regarding how the agency sets and collects dues and fees from its membership

NOTE: In determining whether an agency meets the one-seventh rule, if the ratio of decision-making members to public members falls between two whole numbers, you must round-up to the next whole number. For example, if one-seventh of current membership totals 1.2 members, the agency must have two public members to meet the one-seventh rule.

§602.14 (c) The Secretary considers that any joint use of personnel, services, equipment, or facilities by an agency and a related, associated, or affiliated trade association or membership organization does not violate the "separate and independent" requirements in paragraph (b) of this section if--

(1) The agency pays the fair market value for its proportionate share of the joint use; and

(2) The joint use does not compromise the independence and confidentiality of the accreditation process.

Compliance Factors

- The agency must identify what personnel, services, equipment, or facilities the agency jointly uses with any related organization and what percent each party uses for each of the jointly-used resources.
- The agency must demonstrate how it determines fair market value for its share of the jointly-used resources.
- The agency must demonstrate that the joint use does not compromise the agency's independence and confidentiality of the accreditation process.

Suggested Documentation

- A copy of the document that outlines the joint use of resources with any organization

- Evidence that the agency reimburses the organization for its share of joint use of resources (e.g., invoice, budget document, audited financial statement)
- Evidence that joint use does not compromise the agency's independence or the confidentiality of its accrediting process (e.g., organizational documents: policy document or signed agreement with the organization that ensures that confidential accrediting documents are secured and not made available to the organization, and that organization has not input into the accrediting process)

§602.14 (d) For purposes of paragraph (a)(3) of this section, the Secretary may waive the "separate and independent" requirements in paragraph (b) of this section if the agency demonstrates that--

(1) The Secretary listed the agency as a nationally recognized agency on or before October 1, 1991 and has recognized it continuously since that date;

(2) The related, associated, or affiliated trade association or membership organization plays no role in making or ratifying either the accrediting or policy decisions of the agency;

(3) The agency has sufficient budgetary and administrative autonomy to carry out its accrediting functions independently; and

(4) The agency provides to the related, associated, or affiliated trade association or membership organization only information it makes available to the public.

(e) An agency seeking a waiver of the "separate and independent" requirements under paragraph (d) of this section must apply for the waiver each time the agency seeks recognition or continued recognition.

Compliance Factors

- The agency must have been recognized before October 1, 1991 and received recognition continuously since that date.
- The agency's policies and procedures must ensure that no related association, or affiliated trade association or membership organization plays a role in or influences the making or ratifying of either the accrediting or policy decisions of the agency.
- There must be no evidence of any outside influence in the agency's budgetary and administrative processes, formally or informally.
- There must be no evidence of any release of information to any related, associated, or affiliated trade association or membership organization beyond that which the agency provides to the public.

Suggested Documentation

- Evidence that the agency has been continually recognized since October 1, 1991 such as letters from the Secretary affirming recognition, and dates of NACIQI meetings where the agency was on the agenda

- Organizational documents, policies and procedures explaining how the agency's accrediting decisions and policies are made, how its budget is adopted and funded, and how its executive staff and decision-makers are selected, supervised and, if applicable, compensated. This information should show that the agency has full autonomy in carrying out its accrediting functions and establishing its budget.
- A copy of the agency's most recent audited financial statements
- A copy of the agency's confidentiality policies
- A list of any members of the decision-making body(ies) or executive staff who are officers, directors, policymakers or executive staff of any related trade association or membership organization, and the positions those members occupy with the agency and with the trade or membership organization
- Evidence that the board of the parent organization, if any, does not exercise control over the agency's budget

§602.15 Administrative and fiscal responsibilities.

The agency must have the administrative and fiscal capability to carry out its accreditation activities in light of its requested scope of recognition. The agency meets this requirement if the agency demonstrates that--

(a) The agency has--

- (1) Adequate administrative staff and financial resources to carry out its accrediting responsibilities;**

Compliance Factors

Administrative Capacity

- The agency demonstrates that it has qualified administrative staff to accomplish the agency's accreditation functions and responsibilities within its scope of recognition.
- The agency must provide evidence that it has sufficient staff with the appropriate credentials and qualifications to administer the agency's accreditation activities in an effective manner.
- The agency must complete all required accreditation activities in accordance with the agency's accreditation schedule.
- There must be no validated record of complaints regarding the agency's administrative capacity.
- The organization of the agency is such that processes, such as recordkeeping and communications, are performed in a timely and competent manner, and records are up-to-date.
- The agency should provide an explanation of how the size of its staff is appropriate considering the number of accredited institutions or programs, as well as the extent of the agency's accreditation activities.

Suggested Documentation

- An organizational chart
- Number of full time and part time staff

- A description of each staff member's duties
- Copy of each staff member's written position description
- Resumes and vitas for staff
- Documentation of training for staff on the standards, policies and procedures, to include training agendas and proof of attendance for all the responsible staff members
- A list of institutions, or the number of institutions, for which each regional coordinator, or equivalent, is responsible

Financial Capacity

- The agency must demonstrate that the agency has sufficient financial resources to accomplish all of its accrediting functions and responsibilities.
- The agency must provide evidence that its funding sources place no constraints or perceived conflicts on its financial independence.
- Individuals responsible for an agency's finances must be qualified by education/experience.

Suggested Documentation

- Audited financial statements for the last two years reflecting the agency's financial sufficiency during the time periods of the statement
- A current year's budget
- A summary of the agency's projections for future income and expenditures and how they impact the agency's accrediting activities
- An explanation of the agency's major sources of income
- Explanations, if the agency receives financial support from other organizations, or other sources than its accredited programs and institutions, of those sources and how they impact the agency's financial independence.
- Evidence that the agency's financial operations are managed by an appropriately-individual

§602.15 (a) The agency has--

(2) Competent and knowledgeable individuals, qualified by education and experience in their own right and trained by the agency on their responsibilities, as appropriate for their roles, regarding the agency's standards, policies, and procedures, to conduct its on-site evaluations, apply or establish its policies, and make its accrediting and preaccrediting decisions, including, if applicable to the agency's scope, their responsibilities regarding distance education and correspondence education;

Compliance Factors

- The agency must demonstrate that it has appropriate processes/procedures in place for selecting and training its evaluation, policy-making and decision-making entities.
- The training must cover the agency's accreditation standards, policies and operating procedures.

- The training must make clear the agency's expectations regarding the responsibilities associated with each role that individuals play in conducting a review of an institution or program and in making decisions.
- An agency with a scope of accreditation that includes the evaluation of distance education or correspondence education must train team members whose role includes assessment of these modes of delivery in how the agency's standards, criteria and policies should be applied in doing the assessment.
- Training must be conducted prior to individuals assuming their duties, (e.g., site visit evaluators, decision-makers, and policy-makers)
- Training must be recurring-- at least as often as the agency's standards and procedures are revised and/or new members are appointed to evaluation, policy-making, and decision-making bodies.
- Training is structured and systematic for members of its policy and decision-making bodies, and site visit evaluation teams, and covers responsibilities regarding distance education and correspondence education for agencies that have those in their scope.
- Training is consistent and includes the interpretation of the agency's standards policies and procedures.

Suggested Documentation

- Written policies describing the composition of each of its policy and decision-making bodies and site visit evaluation teams, and for the training of these individuals
- Written policies and procedures describing the qualifications, requirements and selection process for members of its policy and decision-making bodies, including appeals panels, and site visit evaluation teams
- Resumes, credentials and/or other documentation describing the qualifications and experience of the members of each body
- Training program agendas and training modules, including training on responsibilities with regard to distance education and correspondence education for agencies that have these modes of delivery in their scope

§602.15 (a) The agency has--

(3) Academic and administrative personnel on its evaluation, policy and decision-making bodies, if the agency accredits institutions;

Compliance Factors

- The agency must demonstrate that the agency's evaluation, policy and decision-making bodies are composed of a mix of qualified instructors and institutional administrators appropriate to the agency's scope of accrediting activities.
- An "academic" is someone whose primary responsibility is that of a faculty member or someone who is directly involved in the delivery of the educational content/program, which can include a curriculum specialist or educational researcher, and that person spends at least 50% of a fulltime workweek teaching or conducting research and is currently in that position.

- An “administrator” is someone whose primary responsibility is policy and oversight of the educational institution or program and who spends at least 50% of a fulltime workweek performing that duty, and is currently in that position.

Suggested Documentation

- Written policies and procedures describing how the agency ensures both academic and institutional administrative personnel on the evaluation, policy, and decision-making bodies including the agency’s definitions for academic and administrator
- Resumes, credentials or documentation describing the qualifications and experience of the members of each body
- Written description of agency's nominating committee's procedures

§602.15 (a) The agency has--

(4) Educators and practitioners on its evaluation, policy, and decision-making bodies, if the agency accredits programs or single-purpose institutions that prepare students for a specific profession;

Compliance Factors

- The agency demonstrates that the agency’s evaluation, policy and decision-making bodies are adequately composed of a mix of qualified educators and practitioners appropriate to the agency’s scope of accrediting activities.
- Each practitioner must spend at least 50% of a fulltime workweek working in the field that he/she will be evaluating.
- Each educator must spend at least 50% of a fulltime workweek working as an educator.

Suggested Documentation

- Written policies and procedures describing how the agency ensures both educators and practitioners serve on their evaluation, policy, and decision-making bodies, including appeals panels
- Written description of the composition of the accrediting board/commission
- Resumes, credentials, and/or documentation describing the qualifications and experience of the members of each body
- Samples of the composition of the site visit evaluation teams that include educators and practitioners

§602.15(a) The agency has--

(5) Representatives of the public on all decision-making bodies; and

Compliance Factors

- The agency must demonstrate that that its decision-making body(ies) include representatives of the public.

- The agency's definition of a public representative must comply with that outlined in the Secretary's Criteria.
- The agency must have controls for ensuring that its public members comply with the Secretary's definition.
- If the agency is required to comply with 34 CFR §602.14(b) it must demonstrate that it maintains a ratio of 1:7 of public representatives on its decision-making body(ies).

Suggested Documentation

- Policies and procedures related to the composition, selection and training of its decision-making body(ies), including the agency's appeals panel, which include the agency's definition of a public representative
- A list of the public representatives and their resumes for each decision-making body
- Documentation of the methods employed by the agency to assure public members compliance with the Secretary's definition, (e.g., signed affidavits by public members, financial disclosure statements, etc.

§602.15 (a) The agency has--

(6) Clear and effective controls against conflicts of interest, or the appearance of conflicts of interest, by the agency's—

- (i) Board members;**
- (ii) Commissioners;**
- (iii) Evaluation team members;**
- (iv) Consultants;**
- (v) Administrative staff; and**
- (vi) Other agency representatives; and**

Compliance Factors

- The agency must demonstrate that the agency has written conflict of interest policies that include each group listed in (a)(6) and the agency's appeals panel, and that these cover all areas commonly identified as posing a conflict of interest.
- The agency must demonstrate that its accrediting activities are conducted in an environment free of bias.

Suggested Documentation

- Documentation describing the methods employed by the agency to assure that its accrediting activities are conducted in an environment free of bias
- A copy of the agency's conflict of interest policies
- Documentation demonstrating that conflict of interest training is provided to each group listed in (a)(6) and to members of the agency's appeals panel
- Evidence that the agency implements its conflict-of-interest policies, which may include; signed (and current) conflict-of-interest statements by its site visit evaluation team

members; signed (and current) financial disclosure statements; evidence of recusals due to conflicts of interest

§602.15 (b) The agency maintains complete and accurate records of—

(1) Its last full accreditation or preaccreditation review of each institution or program including on-site evaluation team reports, the institution's or program's responses to on-site reports, periodic review reports, any reports of special reviews conducted by the agency between regular reviews, and a copy of the institution's or program's most recent self-study; and

(2) All decisions made throughout an institution's or program's affiliation with the agency regarding the accreditation and preaccreditation of any institution or program and substantive changes, including all correspondence that is significantly related to those decisions.

Compliance Factors

- The agency must demonstrate that it has a written records maintenance policy and that it maintains complete records of the previous accreditation or preaccreditation review of each institution or program, all of its accreditation decisions including those regarding substantive changes, and any correspondence with its accredited institutions or programs.
- The agency is not required to retain information related to an institution or program that the agency did not grant a preaccreditation or accreditation status.

Note: Previously the requirement was to retain records of the two previous accreditation or preaccreditation reviews.

Suggested Documentation

- Policies and procedures for maintaining its accreditation records
- Documentation describing the records included in this policy
- Documentation identifying the location where the records are maintained
- Evidence that shows the agency follows these policies and procedures

REQUIRED STANDARDS AND THEIR APPLICATION

§602.16 Accreditation and preaccreditation standards.

(a) The agency must demonstrate that it has standards for accreditation, and preaccreditation, if offered, that are sufficiently rigorous to ensure that the agency is a reliable authority regarding the quality of the education or training provided by the institutions or programs it accredits. The agency meets this requirement if--

(1) The agency's accreditation standards effectively address the quality of the institution or program in the following areas:

(i) Success with respect to student achievement in relation to the institution's mission, which may include different standards for different institutions or programs, as established by the institution, including, as appropriate, consideration of course completion, State licensing examination, and job placement rates.

Compliance Factors

- The agency's standard or standards for success with respect to student achievement, or associated guidance, must clearly describe the agency's expectations regarding what constitutes compliance.
- The agency must evaluate each standard of success with respect to student achievement that is established by an institution to determine whether the standard or standards provide a reliable measure of a sufficiently significant aspect of the institution's academic quality and whether the level(s) of performance set by the institution is/are consistent with the agency's reasonable expectations regarding academic quality.
- The agency must evaluate the evidence provided of compliance with the standard or standards and make a judgment as to whether the institution or program complies and why.
- The agency's standard or standards for success with respect to student achievement is/are not in major conflict with generally-accepted accrediting practice among recognized agencies.
- The agency must specify when it is appropriate to consider course completion, State licensing examination, and job placement rates and provide justification.

Suggested Documentation

- A copy of the agency's accreditation and preaccreditation standards addressing institutional or program goals and objectives
- A copy of all agency accreditation and preaccreditation standards, policies and procedures on which the agency relies for purposes of satisfying the statutory requirement of having a standard that addresses the institution's success with respect to student achievement in relation to the institution's mission
- If applicable, a copy of the standard(s) for success with respect to student achievement established by one or more accredited or preaccredited institutions, and the agency's

evaluation of the standard(s) and of the institution's evidence regarding student achievement

- Self-studies and site visit evaluation team reports
- Outcomes assessment plan and results
- Annual review of outcomes results
- Meeting minutes where outcomes and/or student achievement are discussed
- Decisions letters demonstrating evaluation based on student achievement standards
- A copy of any written interpretations the agency publishes about its standards
- A copy of any guidance to institutions/programs, team members, etc. on the standards and their application
- A copy of any training materials the agency produces on its standards and their application
- A copy of any guidance to institutions or programs indicating when it is appropriate to use course completion, State licensing examination, and job placement rates in demonstrating its success with regard to student achievement

§602.16 (a)(1) The agency's accreditation standards effectively address the quality of the institution or program in the following areas:

(ii) Curricula.

Compliance Factors

- The agency must have standards that address each degree level within the agency's scope of recognition and the differentiation between degree levels (e.g., what distinguishes baccalaureate degrees from master's degrees, etc).
- An agency's curriculum standard will be multifaceted to include concepts such as: proper course sequencing; a general education component; course content covering the major field of study; clearly stated objectives for courses; and the correlation of the curriculum to the mission of the institution.
- Accrediting agencies whose institutions offer undergraduate degree majors must include a general education component; however, the general education component may be different for academic degrees and occupational studies degrees
- Associate degrees that are in academic fields (business, English, math, etc) must follow commonly-accepted degree requirements, including those for the general education component. Applied occupational studies degrees (majors focused on vocational fields such as auto mechanics, respiratory therapy, massage therapy) may have a smaller general education component and that component may be related to each vocational field.
- Where distance education or correspondence education is offered, the same course content is covered whether it is delivered in a distance education or correspondence format or on the campus.

Suggested Documentation

- Copy of the agency's standards
- Sample self-studies demonstrating that the agency requires institutions/programs to address the standards

- Sample site visit team evaluation reports demonstrating the evaluation of institutions/programs against the standards

§602.16 (a)(1) The agency's accreditation standards effectively address the quality of the institution or program in the following areas:

(iii) Faculty.

Compliance Factors

- Faculty must be academically qualified to teach assigned subjects. Faculty competency shall describe training, earned degrees, scholarship, experience, and classroom performance or other evidence of teaching potential required for each credential or degree level offered.
- Faculty credentials must be at least one credential above the credential offered by the program in which they are teaching.
- Agency standards must include effective controls against hiring of faculty who lack the content knowledge and commitment, and retention of faculty that lack the pedagogical skills, to provide effective instruction in all curricular areas for which the faculty member is responsible.
- Other faculty standards established by agencies address:
 - Policies on hiring of faculty;
 - Faculty role in the development and review of the curriculum;
 - Faculty evaluation;
 - Staff development;
 - Number of faculty to meet the mission of the institution/program; and
 - If appropriate, work experience in lieu of education credentials.
 - Agency standards must include effective controls against hiring of faculty who lack the content knowledge and commitment, and retention of faculty that lack the pedagogical skills, to provide effective instruction in all curricular areas for which the faculty member is responsible.

Suggested Documentation

- Copy of the agency's standards
- Sample self-studies demonstrating that the agency requires institutions/programs to address the standards
- Sample site visit team evaluation reports demonstrating that they evaluate institutions/programs against agency standards

§602.16 (a)(1) The agency's accreditation standards effectively address the quality of the institution or program in the following areas:

(iv) Facilities, equipment, and supplies.

Compliance Factors

- Institutions and programs must have sufficient physical resources to achieve their mission and goals.
- Examples of agency standards in this area include, but are not limited to, standards directed at ensuring that--
 - Classrooms and laboratories have adequate space to accommodate students.
 - Sufficient equipment and supplies exist to support the programs taught at the institution.
 - Plans exist to maintain and upgrade facilities, equipment, and supplies.
 - Institution/program budgets reflect resources allocated for facilities, equipment, and supplies.
 - Facilities and equipment meet all state and local safety and fire codes.
 - Libraries have publications and periodicals to ensure that students and faculty can meet all course objectives using, for example, digital resources, paper resources, interlibrary loans, etc.
 - The technical infrastructure is adequate to ensure timely delivery of distance education courses and support services, and to accommodate growth in numbers of students

Suggested Documentation

- A copy of the agency's standards
- Sample self-studies
- Sample site visit team evaluation reports

§602.16 (a)(1) The agency's accreditation standards effectively address the quality of the institution or program in the following areas:

(v) Fiscal and administrative capacity as appropriate to the specified scale of operations.

Compliance Factors

- The agency's standards must require its accredited institutions/programs to demonstrate financial stability. Examples of agency standards include:
 - Institutions/programs have budgeting processes and demonstrate that current and future budgets are sufficient to allow accomplishment of their mission.
 - Institutions have individuals who are qualified by education and experience overseeing the institution's fiscal and budget processes. (Programs usually receive funds through their institutions and therefore do not need to have an individual with financial expertise).
 - Accredited institutions/programs demonstrate that there is sufficient administrative staff to effectively operate and oversee their programs/institutions.
 - Institutions/programs demonstrate that there are written policies that clearly delineate the duties and responsibilities of administrators; the delineated duties and responsibilities are adequate to sustain the institution's/program's operation during its period of accreditation.

- Individuals in leadership and managerial roles are to be qualified by education and/or experience to provide educational leadership and management.
- The agency must demonstrate that it has evaluated its accredited institutions and programs against its financial and administrative standards.

Suggested Documentation

- The agency's standards and written policies and procedures for evaluating the fiscal and administrative capacity of an institution or program
- Resumes and job descriptions of key administrative personal
- Written descriptions of the institution's or program's fiscal and administrative structures
- Copies of self-studies and site visit team evaluation reports

§602.16 (a)(1) The agency's accreditation standards effectively address the quality of the institution or program in the following areas:

(vi) Student support services.

Compliance Factors

- The agency standards address its expectations of an institution or program to demonstrate the effectiveness of the student support services. Examples of agency standards include:
 - Requirements for academic advising and support systems that facilitate and encourage academic success
 - The availability of personal counseling services and employment assistance
 - Requirements for providing students with financial aid guidance
 - Processes that maintain and protect student records, i.e., grades, test results, etc.
 - Requirements that institutions that sponsor or conduct extracurricular activities, including student organizations, clubs, and professional activities, base those activities on well-defined purposes that serve the educational needs of the students

Suggested Documentation

- Copy of the agency's standards
- Sample self-studies demonstrating that agencies require institutions/programs to address the standards in the self study
- Sample site visit team evaluation reports demonstrating that agencies evaluate institutions/programs against their standards

§602.16 (a)(1) The agency's accreditation standards effectively address the quality of the institution or program in the following areas:

(vii) Recruiting and admissions practices, academic calendars, catalogs, publications, grading, and advertising.

Compliance Factors

- Agency standards require accredited institutions to have and follow satisfactory policies regarding advertising and publications (including catalogs and academic calendars), recruiting, admissions, enrolling and grading students. Examples of standards include:
 - Standards that ensure that an institution's policies conform to its educational mission and objectives
 - Publication of the grading system in all published materials, bulletins, and catalogs and the inclusion of the admissions policies for the programs offered and the credentials awarded
 - Standards addressing the kinds of information institutions/programs may or must provide to the public regarding recruiting and admissions practices, academic calendars, catalogs, other publications, grading, and advertising
 - Standards regarding the review of the accuracy and clarity of the content of the materials

Suggested Documentation

- Copy of the agency's standards
- Evaluator Training Workshop agendas and materials
- Self-study procedures and guidelines
- Copies of self studies
- Copies of site visit team evaluation reports
- Evidence that the site visit evaluators reviewed the catalog and other publications, recruitment and admissions practices, academic calendars, grading system, and advertising and marketing materials

§602.16 (a)(1) The agency's accreditation standards effectively address the quality of the institution or program in the following areas:

(viii) Measures of program length and the objectives of the degrees or credentials offered.

Compliance Factors

Examples of accrediting agency standards in this area include:

- Standards that ensure that any required courses will be offered with sufficient frequency to enable students to complete the program within the minimum time specified for each degree level offered
- Institutions/programs must establish in writing the length of the program, number and type of credits, and other requirements for the credential awarded.
- Institutions/programs or agencies must establish the minimum length of time to complete a program when offered on a full-time basis or the equivalent in part-time study.
- Institutions/programs must establish the length and increments of the academic year, i.e., semester, quarter, etc., and set limits for program completion.
- Institutions/programs must provide a program description of each degree, certificate or diploma program as well as any research or occupational or professional experience that is a component of a degree program.

- The agency requires institutions/programs to include both prerequisites and requirements for completion, such as the following:
 - a. Associate degree curricula include a minimum of 60 semester hours;
 - b. Associate degree curricula normally require a minimum of two years of full-time study or the equivalent in part-time study;
 - c. Baccalaureate degree curricula include a minimum of 120 semester hours.
- Award of academic credit, such as through credit hours, must conform to commonly accepted academic practice in terms of time invested and content mastered.

Suggested Documentation

- Copy of the agency's standards and guidance the agency provides regarding program length and credit hours
- Sample self-studies demonstrating that the agency requires institutions/programs to address the standards in the self study
- Sample site visit team evaluation reports demonstrating that the agency evaluates institutions/programs against agency standards

§602.16 (a)(1) The agency's accreditation standards effectively address the quality of the institution or program in the following areas:

(ix) Record of student complaints received by, or available to, the agency.

Compliance Factors

- Requirement that the institutions/programs have written student complaint procedures that are fairly and consistently applied.
- Requirement that either the institution/program or the agency maintain a record of student complaints covering at least the most recent accreditation period, as well as information about how the complaints were resolved.
- Requirement that the record is made available to on-site evaluators for review in order to determine if a pattern of complaints exists that would bring into question compliance with one or more of the agency's standards or policies.

Suggested Documentation

- A copy of the agency's standards and/or policies addressing student complaints
- Sample self-studies that contain complaint procedures, appeal rights and timelines
- Sample site visit team evaluation reports
- Evaluator training materials showing that site visit team evaluators are required to review student complaints during site visits

§602.16(a)(1) The agency's accreditation standards effectively address the quality of the institution or program in the following areas:

(x) Record on compliance with the institution's program responsibilities under Title IV of the Act, based on the most recent student loan default rate data provided by the Secretary, the results of financial or compliance audits, program reviews, and any other information that the Secretary may provide to the agency; and

Compliance Factors

- The agency standard requires that institutions with high default rates, as defined by the Department's Office of Federal Student Aid, develop corrective action plans to address the high rates.
- The standard must require institutions to demonstrate that they have resolved effectively all areas of deficiency identified in audits, program reviews, and any other information provided by the Department to the agency.
- The agency must demonstrate that it includes in its institutional evaluation information regarding any identified deficiencies in the institution's Title IV compliance or identified in compliance audits, program reviews, and other information that the Secretary provides to the agency.

Suggested Documentation

- The agency's standards and written policies and procedures for evaluating compliance with its Title IV standards
- Copies of self-studies and site visit evaluation team reports
- Reports received from the Department and follow up actions taken to resolve the issues identified

§602.16 (a)(2) The agency's preaccreditation standards, if offered, are appropriately related to the agency's accreditation standards and do not permit the institution or program to hold preaccreditation status for more than five years.

Compliance Factors

- The agency's standards for preaccreditation are related to its accreditation standards in such a way as to support a reasonable conclusion that preaccredited institutions will achieve full compliance with agency accreditation standards within the period of preaccreditation the agency allows.
- The agency does not allow an institution or program to remain in a preaccredited status for longer than five years.

Suggested Documentation

- A copy of the agency's policies and standards
- Letters granting preaccreditation
- Decision meeting minutes
- Directories listing preaccredited and accredited institutions/programs
- Self-studies and team reports

§602.16 (b) If the agency only accredits programs and does not serve as an institutional accrediting agency for any of those programs, its accreditation standards must address the areas in paragraph (a)(1) of this section in terms of the type and level of the program rather than in terms of the institution.

(c) If the agency has or seeks to include within its scope of recognition the evaluation of the quality of institutions or programs offering distance education or correspondence education, the agency's standards must effectively address the quality of an institution's distance education or correspondence education in the areas identified in paragraph (a)(1) of this section. The agency is not required to have separate standards, procedures, or policies for the evaluation of distance education or correspondence education;

(d) If none of the institutions an agency accredits participates in any Title IV, HEA program, or if the agency only accredits programs within institutions that are accredited by a nationally recognized institutional accrediting agency, the agency is not required to have the accreditation standards described in paragraphs (a)(1)(viii) and (a)(1)(x) of this section.

(e) An agency that has established and applies the standards in paragraph (a) of this section may establish any additional accreditation standards it deems appropriate.

(f) Nothing in paragraph (a) of this section restricts--

(1) An accrediting agency from setting, with the involvement of its members, and applying accreditation standards for or to institutions or programs that seek review by the agency; or

(2) An institution from developing and using institutional standards to show its success with respect to student achievement, which achievement may be considered as part of any accreditation review.

NOTE: (b), (d), (e) and (f) above are instructions; no response is required

Compliance Factors (related to (c))

- The agency must apply the definitions of "distance education" and "correspondence education" in §602.3 to determine which mode of delivery the institution is employing.
- The agency must demonstrate how it reviews an institution's offering of distance education and/or correspondence education to determine whether the institution meets the agency's standards.
- The information provided by the agency must clearly identify each standard or criterion that might require the institution or program to use resources, procedures, or structures different from those needed for resident program offerings.
- Although separate standards or specific procedures or guidelines for the evaluation of distance education or correspondence education are not required, they are permissible.

Suggested Documentation

- Evaluator training materials showing how the agency's standards should be applied in evaluating distance education and/or correspondence education
- Sample self-studies and site visit team reports of institutions or programs that offer distance education or correspondence education

§602.17 Application of standards in reaching an accrediting decision.

The agency must have effective mechanisms for evaluating an institution's or program's compliance with the agency's standards before reaching a decision to accredit or preaccredit the institution or program. The agency meets this requirement if the agency demonstrates that it--

(a) Evaluates whether an institution or program--

- (1) Maintains clearly specified educational objectives that are consistent with its mission and appropriate in light of the degrees or certificates awarded;**
- (2) Is successful in achieving its stated objectives; and**
- (3) Maintains degree and certificate requirements that at least conform to commonly accepted standards;**

Compliance Factors

- The agency must have a standard or guidance that requires an institution or program to have a written mission.
- The agency must demonstrate that it evaluates the objectives of the programs or institutions and the degrees offered.
- Agency requirements must identify how it determines whether the institution/program has succeeded, to include key indicators that are appropriate to institution's objectives and mission.
- There is evidence of the agency's evaluation of the success of programs and institutions in meeting their objectives within the context of the institution's mission. Examples of evidence include enrollment data, retention rates, graduation rates, course completion rates, licensure and certification pass rates, student portfolios demonstrating achievement of objectives/competencies.
- There is evidence that the agency evaluates its institutions/programs to ensure that degree and/or certificate requirements are similar to those of other institutions/programs offering similar programs. As an example, an institution that offers a baccalaureate degree that requires only two courses within the major would not meet commonly accepted standards within the higher education community. As another example, an agency's standards and policies should preclude an accredited institution from offering a graduate degree that requires mastery of only half of the content commonly covered by that degree.

NOTE: "Commonly accepted" means the requirements fall within the range of degrees or certificates used by other accredited institutions in the higher education community.

Suggested Documentation

- Agency standards regarding mission and educational objectives

- Site visit team reports (specifically, sections dedicated to mission, content, objectives, and achievement of objectives) that evidence the agency has evaluated the institutions/programs against this criterion
- Training documentation
- Self-study guidance
- Additional guidance documents published by the agency
- Evidence that the mission of the institution or program is reviewed and evaluated.
- Evidence that objectives are reviewed and evaluated in light of the institution or program's mission
- Self-studies
- Agency guidance regarding the establishment of objectives and evaluating success
- Evidence of the agency's evaluation of programs
- Documentation in agency standards regarding degree and/or certificate requirements
- Agency guidance regarding degree and/or certificate requirements (e.g., self-study guidance, standards guidance, etc.)
- Agency action letters

§602.17 (b) Requires the institution or program to prepare, following guidance provided by the agency, an in-depth self-study that includes the assessment of educational quality and the institution's or program's continuing efforts to improve educational quality;

Compliance Factors

- The agency requires each institution or program to conduct an in-depth, comprehensive self-study of all facets of its operations and to document in writing its self assessment of the quality of the institution/program, how it complies with the agency's standards, and its improvement efforts prior to an accreditation or preaccreditation review.
- The agency provides guidance to institutions/programs on the conduct of the self study
- Stakeholders are involved in the self-study committee composition.
- Evidence that the institution's/program's assertions accompany the self-study.
- The self-study describes the institution's/program's strengths and weaknesses, as well as its efforts to improve educational quality. and
- The self-study is completed and submitted prior to the site visit for the agency to review for completeness and compliance with the agency's standards.
- Checklists are not acceptable.

Suggested Documentation

- Self-study guidance
- Self-study training documentation, if applicable
- Agency standards
- Samples of self-studies conducted by institutions or programs based on the agency's guidance
- Feedback from the agency to the institution or program regarding the self-study, if applicable

- An agency policy regarding the training or guidance it provides to institutions or programs regarding preparation of the self-study

§602.17 (c) Conducts at least one on-site review of the institution or program during which it obtains sufficient information to determine if the institution or program complies with the agency's standards;

Compliance Factors

- The agency must conduct at least one site visit team review during the accreditation period and prior to the accreditation decision.
- The agency must have a written protocol for conducting site visit team reviews to verify information in the self-study.
- Site visit teams must include more than one member.

Suggested Documentation

- Training guides for site visit team evaluators and decision-makers on conducting a site visit and making an accrediting decision
- Rubrics or other tools used by evaluators to guide the on-site review
- Site visit team evaluator reports
- Accreditation action letters
- Evaluations by institutions/programs on the site visit reviewers
- Institution/program responses to the site visit team report
- Agency standards

§602.17 (d) Allows the institution or program the opportunity to respond in writing to the report of the on-site review;

Compliance Factors

- The agency must have a written policy ensuring that an institution/program has an opportunity to review and correct errors in the report.
- The agency must have a written policy that allows a reasonable amount of time for the institution/program to respond to the team report.

Suggested Documentation

- Agency policies regarding an institution/program's opportunity to make timely responses to the site visit team report
- Copies of communications between the agency to the institution or program regarding the ability to provide a written response to the report of the site visit team
- Copies of written responses from institutions and programs regarding the site visit team evaluation report

§602.17 (e) Conducts its own analysis of the self-study and supporting documentation furnished by the institution or program, the report of the on-site review, the institution's or program's response to the report, and any other appropriate information from other sources to determine whether the institution or program complies with the agency's standards;

Compliance Factors

- Members of the agency's decision-making body(ies) must be involved in the analysis of the documents when reaching an accrediting decision.
- The involvement by the decision-makers in the review cannot be a rubber stamping of another body's actions (e.g., the self-study, the site visit evaluation team, or review committee).
- The decisions must conform to the written procedures.
- The decision-making body(ies) must require institutions/programs to comply in substance with agency requirements and define compliance prior to accrediting an institution or program, rather than relying on corrective actions to bring an institution or program into compliance after it is accredited.
- An agency may not transfer accreditation granted by another agency; rather, it must do a comprehensive review based on its own standards, giving no deference to accreditation currently held.

Suggested Documentation

- Accreditation action letters
- Site visit team evaluation reports
- Agency policies and procedures manual
- Agency standards
- Samples of self-studies conducted by institutions or programs based on the agency's guidance
- Decision-making body(ies) meeting minutes or other documentation of deliberations and documentation from any subcommittees that review institutional/program information for determining compliance with agency standards

§602.17 (f) Provides the institution or program with a detailed written report that assesses--

(1) The institution's or program's compliance with the agency's standards, including areas needing improvement; and

(2) The institution or program's performance with respect to student achievement; and

Compliance Factors

- The agency must demonstrate that it has written policies and procedures for issuing its accreditation actions and site visit evaluation reports.

- The agency must demonstrate that the site visit team evaluation report clearly links to its standards.
- The agency must demonstrate that it provides a detailed report to the institution/program outlining compliance with the agency's standards, including performance with respect to student achievement. If the agency allows an institution to set its own standards for success with respect to student achievement, the report must address the adequacy of the self-identified standards and the evidence provided by the institution or program.
- The agency must report to the institution/program on all these matters in writing.

NOTE: The agency is free to decide how it will provide its detailed written assessment of compliance with the standards, areas needing improvement, and performance regarding student achievement. As an example, agencies may provide the assessment through the team report and/or the action letter. An agency may communicate its assessment of compliance with the standards, areas needing improvement, and performance regarding student achievement in different written documents. For example, the team report may discuss student achievement while the action letter provides the agency's assessment of compliance with the standards.

Suggested Documentation

- Accreditation action letters
- Site visit team evaluation reports or any other correspondence or report by the agency to inform the program or institution of the agency's assessment of compliance with agency standards.
- Agency policies and procedures manual
- Agency standards
- Student outcomes

§602.17(g) Requires institutions that offer distance education or correspondence education to have processes in place through which the institution establishes that the student who registers in a distance education or correspondence education course or program is the same student who participates in and completes the course or program and receives the academic credit. The agency meets this requirement if it--

(1) Requires institutions to verify the identity of a student who participates in class or coursework by using, at the option of the institution, methods such as--

(i) A secure login and pass code;

(ii) Proctored examinations; and

(iii) New or other technologies and practices that are effective in verifying student identity; and

(2) Makes clear in writing that institutions must use processes that protect student privacy and notify students of any projected additional student charges associated with verification of student identity at the time of registration or enrollment.

Compliance factors

- The agency must demonstrate that it has a written policy and procedures addressing this student verification requirement.
- The agency must demonstrate that its site visit evaluation team assesses the effectiveness and application of an institution's or program's processes for ensuring the verification of the identity of students taking distance education or correspondence education courses.
- The agency must demonstrate that its site visit evaluation team confirms that the institution's verification processes protect student privacy.
- The agency must demonstrate that its site visit evaluation team confirms that the institution notifies students at the time of registration or enrollment of any additional charges related to verification of student identity.

Suggested Documentation

- Copies of the agency's policies and procedures on verification of student identity
- Site visit team reports

§602.18 Ensuring consistency in decision-making.

The agency must consistently apply and enforce standards that respect the stated mission of the institution, including religious mission, and that ensure that the education or training offered by an institution or program, including any offered through distance education or correspondence education, is of sufficient quality to achieve its stated objective for the duration of any accreditation or preaccreditation period granted by the agency. The agency meets this requirement if the agency--

(a) Has written specification of the requirements for accreditation and preaccreditation that include clear standards for an institution or program to be accredited;

Compliance Factors

- The agency must demonstrate that it has written policies and procedures that ensure consistency in the application of its standards, in a manner that is respectful of the mission of the institution or program that is being evaluated.
- An agency's standards and criteria must be unambiguous and easily understood.
- An agency must demonstrate that its standards, criteria, guidelines, policies and procedures are in writing and readily available.

Suggested Documentation

- Copy of the agency's policy related to how it applies and enforces its standards, which explicitly articulates the principle of respect for the mission of the institution or program
- Agency standards
- Accreditation manual
- Copies of significant correspondence from institutions or programs seeking accreditation or under review that comments on the clarity of the agency's standards and criteria
- Documentation of availability of standards, criteria, etc, such as links to relevant sections of the agency's Web site.

§602.18 (b) Has effective controls against the inconsistent application of the agency's standards;

Compliance Factors

- The agency must identify and describe what controls it applies to ensure consistency. Such practices may include, for example—
 - Conducting training for site visit evaluation teams and team chairs on how to evaluate institutions/program against agency standards, within the context of the mission of the institution.
 - Conducting training for members of the agency's decision-making body(ies) on what is required to demonstrate compliance with agency standards.
 - Providing written guidance to an agency's accredited entities on what is required to demonstrate compliance.
 - Allowing institutions/programs an opportunity to provide a written response to site visit team reports regarding the institution's/program's compliance with agency standards
 - Allowing institutions/programs an opportunity to provide oral comments at decision-making meetings regarding the institution's/program's compliance with agency standards
 - Allowing several groups of its decision-making body to evaluate the same institution/program and then compare the results to see if all groups came to the same conclusion regarding compliance with the standards
 - Including agency staff members as a resource to team members to answer any questions on how to apply the standards
 - Reviewing the accrediting decision and the rationale for making those decisions to ensure that the agency consistently applies the standards in making accrediting decisions

Suggested Documentation

- Copies of documents used to train site visit evaluators and members of the decision-making body(ies)
- Documentation demonstrating that the agency allows institutions/programs an opportunity to provide a written response to site visit team reports
- Agendas showing activities the agency conducts to ensure that it consistently applies its standards

- Copies of policies that the agency has established that relate to consistent definition and application of its standards
- Copies of documents provided to institutions/programs, site visit evaluators, team chairs, and decision-making members regarding what is needed to establish compliance with the standards

§602.18 (c) Bases decisions regarding accreditation and preaccreditation on the agency's published standards; and

Compliance Factors

- The agency uses the same set of standards to accredit its institutions/programs. If the agency allows an institution to set its own standards with regard to student success, it must determine whether the standards are consistent with the agency's reasonable expectations regarding academic quality.
- There is no evidence that the agency applies requirements or standards apart from its published standards to any institution or program when making accrediting decisions.

Suggested Documentation

- Samples of accrediting decision letters including adverse accrediting decision letters that cite the specific standard violated and the rationale for the finding
- Samples of site visit team evaluation reports
- Copies of transcripts of decision-making meetings that demonstrate how accrediting decisions are made
- Copies of any significant correspondence commenting on the agency's consistency or lack of it

§602.18 (d) Has a reasonable basis for determining that the information the agency relies on for making accrediting decisions is accurate; and

Compliance Factors

- The agency must demonstrate that it collects sufficient information during its accrediting reviews to make accrediting determinations.
- The information relied upon must be verifiable (e.g., through documents submitted by institutions/programs with their self-studies, documents reviewed onsite, and interviews with staff, faculty, and students during site visits).

Suggested Documentation

- Policies and procedures that require the site visit evaluation team to verify that the information provided by the institution/program and used to determine compliance with the standard is valid and reliable
- Procedures and/or guidelines to ensure that the team members collect verifiable information
- Sample self-studies demonstrating that institutions/program provided supporting documentation to verify the self-study narrative

§602.18 (e) Provides the institution or program with a detailed written report that clearly identifies any deficiencies in the institution's or program's compliance with the agency's standards.

Compliance Factors

- Reports should clearly indicate any areas of non-compliance with each of the agency's standards.

Suggested Documentation

- Site visit team reports or any other correspondence or report by the agency to inform the program or institution of deficiencies in the institution's/program's compliance with the agency's standards
- Accreditation action letters

§602.19 Monitoring and reevaluation of accredited institutions and programs.

(a) The agency must reevaluate, at regularly established intervals, the institutions or programs it has accredited or preaccredited.

Compliance Factors

- The agency must demonstrate that it has policies and procedures in place for the reevaluation of its programs and institutions for continued accreditation or preaccreditation.
- The agency's policies must identify established timelines in which the agency reevaluates its programs and institutions on a regular and consistent basis.
- The agency must demonstrate that it follows its policies.

Suggested Documentation

- Written policies regarding the monitoring and reevaluation of the agency's accredited programs and institutions.
- Sample letters,
- Site visit evaluation reports.
- Definitions of terms and examples of what falls within compliance or out of compliance for each type of decision (e.g., accredit, defer, probation, show cause, etc.)
- Lists of institutions indicating date of accreditation, re-accreditation, review, monitoring activity, etc.

§602.19 (b) The agency must demonstrate it has, and effectively applies, a set of monitoring and evaluation approaches that enables the agency to identify problems with an institution's or program's continued compliance with agency standards and that takes into account institutional or program strengths and stability. These approaches must include periodic reports, and collection and analysis of key data and indicators, identified by the agency, including, but not limited to, fiscal information and measures of student achievement, consistent with the provisions of §602.16(f). This provision does not require institutions or programs to provide annual reports on each specific accreditation criterion.

Compliance Factors

- The agency must have written policies and procedures for monitoring its accredited members.
- The agency's policies and procedures must specify the set of monitoring and evaluation approaches it uses to identify problems at institutions or programs with different strengths and stability.
- The agency must identify the types of reports it obtains and the other activities that it conducts in monitoring its accredited institutions/programs (e.g., annual reports, mid-term site visits, or special reports relating to an institution's/program's compliance with the standards).
- The agency must demonstrate that it collects and analyzes information, including agency-defined key data and indicators, on a recurring basis at intervals that are appropriate to the agency standards. The key data and indicators must include fiscal information and measures of student achievement.
- The agency must demonstrate that its monitoring policies are effective in identifying significant compliance problems that the agency should reasonably have predicted.
- The agency must demonstrate that it evaluates the data gathered against agency-developed performance indicators of continued compliance (e.g., red flags)
- The agency's policies need to identify the follow-up actions it takes in typical circumstances based on its monitoring activities.
- Monitoring must include procedures for conducting special evaluation or site visits and to take follow-up actions as appropriate.

Suggested Documentation

- Written policies and procedures on agency monitoring activities
- Sample letters from the agency
- Minutes from decision meetings
- Site visit team evaluation reports, annual reports, or mid-point evaluation reports
- Data samples gathered throughout the period of accreditation
- Examples of significant compliance problems demonstrating how they were identified

§602.19 (c) Each agency must monitor overall growth of the institutions or programs it accredits and, at least annually, collect headcount enrollment data from those institutions or programs.

§602.19 (d) Institutional accrediting agencies must monitor the growth of programs at institutions experiencing significant enrollment growth, as reasonably defined by the agency.

Compliance Factors

- The agency must have a written policy and procedure for collecting headcount enrollment data at least annually from the institutions or programs it accredits.
- The agency must demonstrate that it evaluates the enrollment data as part of its ongoing monitoring.

- Agencies that accredit institutions must have a written policy defining what constitutes "significant growth". The agency may make different determinations of what constitutes "significant growth" for different categories of institutions, or it may establish a single criterion.
- Institutional accrediting agencies must have procedures for ongoing monitoring of institutions or programs that the agency has determined are undergoing significant growth.

Suggested Documentation

- Copies of policies and procedures
- Samples of data gathered annually
- Copies of correspondence with accredited entities found to be experiencing significant growth

§602.19 (e) Any agency that has notified the Secretary of a change in its scope in accordance with §602.27(a)(5) must monitor the headcount enrollment of each institution it has accredited that offers distance education or correspondence education. If any such institution has experienced an increase in headcount enrollment of 50 percent or more within one institutional fiscal year, the agency must report that information to the Secretary within 30 days of acquiring such data.

Compliance Factors

- This requirement applies only to institutional accrediting agencies and specialized accrediting agencies that accredit freestanding institutions that have changed their scope of accreditation to include distance education or correspondence education by notification to the Secretary.
- The agency must annually collect headcount enrollment from all institutions it accredits (in accordance with §602.18(c)). For any institutions offering distance education or correspondence education, the agency must analyze the enrollment data for each institutional fiscal year to determine whether there is an increase in enrollment of 50 percent or more.
- The agency must report such an increase to the Secretary within 30 days of learning of it.

Suggested Documentation

- Copy of policies and procedures for collecting and reviewing enrollment data
- If appropriate, correspondence to the Secretary demonstrating timely reporting

§602.20 Enforcement of standards.

(a) If the agency's review of an institution or program under any standard indicates that the institution or program is not in compliance with that standard, the agency must --

- (1) Immediately initiate adverse action against the institution or program; or**
- (2) Require the institution or program to take appropriate action to bring itself into compliance with the agency's standards within a time period that must not exceed --**

(i) Twelve months, if the program, or the longest program offered by the institution, is less than one year in length;

(ii) Eighteen months, if the program, or the longest program offered by the institution, is at least one year, but less than two years, in length; or

(iii) Two years, if the program, or the longest program offered by the institution, is at least two years in length.

Compliance Factors

- The agency must have a written policy that states it requires institutions and/or programs to come into compliance with the standards when it determines that the institution or program fails to comply with the agency standards.
- The policy must state the maximum time institutions/programs are allowed to come into compliance; however, the maximum time allowed must conform to what is stated in this section of the regulations.
- The maximum time for bringing areas of non-compliance into compliance is determined by the longest program offered at an institution.
- An agency may either take an immediate adverse action to enforce its standards OR allow the institution/program time, up to the stated maximum, to come into compliance.
- An adverse action is limited to denying, withdrawing, suspending, revoking, or terminating the accreditation of an institution or program.
- For purposes of meeting the regulatory requirement, an adverse action includes only those actions stated above; probation is NOT an adverse action.
- The “clock” starts when the institution or program is notified by the agency that it is out of compliance with a standard. The time period need not include the time necessary for reconsidering financial information following a timely request made under agency policies required by §602.25(h), nor for deciding an appeal requested under policies required by §602.25(f). However, the request for reconsideration/appeal must have been submitted during or immediately after notification of non-compliance (in accordance with the agency's policies), and the agency should proceed at a reasonable pace in conducting its reconsideration/appeal processes.

Suggested Documentation

- Copy of the agency's enforcement policy
- Documentation (sample letters, meeting minutes, etc.) showing that agency has taken adverse action timely and the outcome
- List of accredited entities currently required to report back to the agency and a timeline identifying when the issue arose and what the institution or program is required to do when.

§602.20 (b) If the institution or program does not bring itself into compliance within the specified period, the agency must take immediate adverse action unless the agency, for good cause, extends the period for achieving compliance.

Compliance Factors

- The agency policy may extend the period for achieving compliance for good cause.
- Considerations for assessing an agency's compliance with this section include:
 - Does the agency policy specify the length of time for the extension?
 - Does the agency policy require the decision-makers to provide their rationale for granting or denying the extension?
 - Does the agency policy specify criteria for determining whether an extension should be granted?
 - Does the policy have a provision for monitoring the progress of an institution or program that has received an extension for good cause?
 - Does the policy limit the ability to extend an extension?
 - Does the agency limit the use of "good cause" or is it used routinely or repeatedly to avoid taking an adverse action?

Caution: Extensions for good cause cannot be used as a mechanism to avoid initiating an adverse action.

Suggested Documentation

- Policies
- Sample letters
- Meeting minutes, hearings, etc. related to the requirements of this section

§602.21 Review of standards.

(a) The agency must maintain a systematic program of review that demonstrates that its standards are adequate to evaluate the quality of the education or training provided by the institutions and programs it accredits and relevant to the educational or training needs of students.

(b) The agency determines the specific procedures it follows in evaluating its standards, but the agency must ensure that its program of review--

- (1) Is comprehensive;**
- (2) Occurs at regular, yet reasonable, intervals or on an ongoing basis;**
- (3) Examines each of the agency's standards and the standards as a whole; and**
- (4) Involves all of the agency's relevant constituencies in the review and affords them a meaningful opportunity to provide input into the review.**

Compliance Factors

- The agency must have a written policy requiring it to maintain a systematic program of review of its standards.
- The agency must demonstrate that its program of review is systematic and focuses on the adequacy and relevance of its standards in terms of enabling the agency to evaluate educational quality.
- The agency must demonstrate that it collects sufficient information to determine whether its standards can be used to evaluate the quality of education offered through its accredited institutions/programs.
- The review process used by the agency must evaluate all of the standards individually and as a whole.
- The review process must occur at reasonable intervals, which may not exceed ten years.
- The agency must demonstrate that it collects information from several sources and seeks input from all of its communities of interest, including internal and external constituencies.
- The agency must describe in detail the activities it conducts as part of its review process (e.g., conducting surveys, holding forums with its communities of interest, establishing committees to review the standards, etc.) and how it involves its different constituencies.
- The agency must demonstrate that it evaluated the information it gathered in its review in order to determine whether the standards need to be changed.
- The agency must demonstrate that the review process led to improvement of the standards (e.g., new draft standards, modifications to existing standards, etc.)
- An agency may use any reasonable methodology in desiring to conduct its review process.
- The agency must demonstrate that it involved all its relevant constituencies in the crafting of its standards and in their review.

Suggested Documentation

- Samples of surveys that have been conducted
- Samples of minutes of Committee meetings held to evaluate the standards
- Samples of Committee reports that have been generated with regards to reviewing the standards
- Agendas/minutes of forums held related to the review of the standards
- Samples of final reports that may have been generated regarding information gathered
- Written policies on systematic and comprehensive review of the standards
- Samples of documents showing that new or modifications to existing standards have been drafted as a result of the agency's review process
- Documents that demonstrate that the agency's communities of interest are substantively involved in the standards review process and not just offered the opportunity to respond to proposed changes

§602.21 (c) If the agency determines, at any point during its systematic program of review, that it needs to make changes to its standards, the agency must initiate action within 12 months to make the changes and must complete that action within a reasonable period of time. Before finalizing any changes to its standards, the agency must--

(1) Provide notice to all of the agency's relevant constituencies, and other parties who have made their interest known to the agency, of the changes the agency proposes to make;

(2) Give the constituencies and other interested parties adequate opportunity to comment on the proposed changes; and

(3) Take into account any comments on the proposed changes submitted timely by the relevant constituencies and by other interested parties.

Compliance Factors

- The agency must have a written policy that requires it to initiate action to make the necessary changes within 12 months after determining that, as a result of the review process, changes to standards are needed.
- The agency must have a written policy that directs it to notify all of its communities of interest of proposed changes to the standards and allows them a reasonable amount of time to comment on the proposed changes.
- The agency must identify all of its communities of interest (internal and external), including those that have made their interest known, and demonstrate that it has encouraged them to comment on proposed changes.
- The agency must demonstrate that it reviews all comments timely submitted before formally adopting the proposed changes as final.

Suggested Documentation

- A copy of its written policies addressing:
 - The timeframe for taking action in developing changes to the standards as a result of its review process
 - The requirement to notify all of its communities of interest regarding, including those that have made their interest known, proposed changes and allow them an opportunity to comment on those changes
- Samples of responses received from its communities of interest
- Documents showing the changes made to proposed standards as a result of reviewing the comments received
- Documents demonstrating that its communities of interest have been notified of proposed changes to the standards
- Documents demonstrating that it has carefully considered all responses received from its communities of interest regarding proposed changes to the standards
- Documents showing the agency's action to change the standards within the 12 month timeframe outlined in this section of the Criteria

NOTE: There is a distinction between the “Standards Review Process (SRP)” requirement of 34 CFR §602.21(a) and (b), and the “Standards Adoption Process (SAP)” requirement of 34 CFR §602.21(c). The SRP requires the agency to gather information from its communities of interest regarding whether the standards should be changed BEFORE developing draft changes to the standards. The SAP is the process that is used AFTER draft changes to the standards have been developed. Agencies are required to demonstrate compliance with each part.

DRAFT

REQUIRED OPERATING POLICIES AND PROCEDURES

§602.22 Substantive change.

(a) If the agency accredits institutions, it must maintain adequate substantive change policies that ensure that any substantive change to the educational mission, program, or programs of an institution after the agency has accredited or preaccredited the institution does not adversely affect the capacity of the institution to continue to meet the agency's standards. The agency meets this requirement if—

- (1) The agency requires the institution to obtain the agency's approval of the substantive change before the agency includes the change in the scope of accreditation or preaccreditation it previously granted to the institution; and**

Compliance Factors

- The agency must have a written substantive change policy.
- Approvals must be based on evidence that the proposed change does not adversely affect the capacity of the institution to continue to meet the agency's standards.
- The decision-making body must approve the change prior to including it in the institution's grant of accreditation

Suggested Documentation

- Policies
- Sample letters
- Forms for applying for approval
- Meeting minutes, hearings, etc. related to the requirements of this section
- Approval/disapproval letters

§602.22 (2) The agency's definition of substantive change includes at least the following types of change:

- (i) Any change in the established mission or objectives of the institution.**
- (ii) Any change in the legal status, form of control, or ownership of the institution.**
- (iii) the addition of courses or programs that represent a significant departure from existing offerings of educational programs, or method of delivery, from those that were offered when the agency last evaluated the institution.**
- (iv) The addition of programs of study at a degree or credential level different from that which is included in the institution's current accreditation or preaccreditation.**

(v) A change from clock hours to credit hours.

(vi) A substantial increase in the number of clock or credit hours awarded for successful completion of a program.

(vii) If the agency's accreditation of an institution enables the institution to seek eligibility to participate in title IV, HEA programs, the entering into a contract under which an institution or organization not certified to participate in the title IV, HEA programs offers more than 25 percent of one or more of the accredited institution's educational programs.

(viii)(A) If the agency's accreditation of an institution enables it to seek eligibility to participate in title IV, HEA programs, the establishment of an additional location geographically apart from the main campus at which the institution offers at least 50 percent of an educational program. The addition of such a location must be approved by the agency in accordance with paragraph (c) of this section unless the accrediting agency determines, and issues a written determination stating that the institution has--

(1) Successfully completed at least one cycle of accreditation of maximum length offered by the agency and one renewal, or has been accredited for at least ten years;

(2) At least three additional locations that the agency has approved; and

(3) Met criteria established by the agency indicating sufficient capacity to add additional locations without individual prior approvals, including at a minimum satisfactory evidence of a system to ensure quality across a distributed enterprise that includes--

(i) Clearly identified academic control;

(ii) Regular evaluation of the locations;

(iii) Adequate faculty, facilities, resources, and academic and student support systems;

(iv) Financial stability; and

(v) Long-range planning for expansion.

(B) The agency's procedures for approval of an additional location, pursuant to paragraph (a)(2)(viii)(A) of this section, must require timely reporting to the agency of every additional location established under this approval.

(C) Each agency determination or redetermination to preapprove an institution's addition of locations under paragraph (a)(2)(viii)(A) of this section may not exceed five years.

(D) The agency may not preapprove an institution's addition of locations under paragraph (a)(2)(viii)(A) of this section after the institution undergoes a change in ownership resulting in a change in control as defined in 34 CFR 600.31 until the institution demonstrates that it meets the conditions for the agency to preapprove additional locations described in this paragraph.

(E) The agency must have an effective mechanism for conducting, at reasonable intervals, visits to a representative sample of additional locations approved under paragraph (a)(2)(viii)(A) of this section.

(ix) The acquisition of any other institution or any program or location of another institution.

(x) The addition of a permanent location at a site at which the institution is conducting a teach-out for students of another institution that has ceased operating before all students have completed their program of study.

Compliance Factors

- The agency's substantive change policy must have a definition of a substantive change that includes, at least, all portions of the ten areas in subsection (a)(2).
- The policy must include as a substantive change courses of study added at a lower level, and not just additions at a higher level
- An agency's substantive change policy must include a process for granting prior approval of additional locations. The agency's policy must cover the addition of any geographically separate campus where at least 50 percent of an educational program is offered that is not included in agency procedures for addition of branches.
- As part of its process for granting prior approval of additional locations where at least 50 percent of an educational program is offered, an agency may have, but is not required to have, a process by which, for institutions meeting certain criteria, it pre-approves all such locations that the institution may establish within a specified time period, subject to certain limitations. If the agency has such a process, it must
 - Limit it to institutions that it has determined meet the requirements of 34 CFR 602.22(a) (viii)(A)(1) through (3);
 - Require timely reporting to the agency of the establishment of every new location;
 - Grant the prior approval for locations added during no more than a five year period;
 - Suspend the preapproval if an institution undergoes a change in ownership resulting in a change in control, unless and until such time as the agency re-determines that the

- institution continues to meet the conditions for the agency to pre-approve additional locations;
- Have viable plans for conducting, during the accreditation cycle, site visits at a representative sample of locations added, which include the basis on which the representative sample is established and the criteria for scheduling visits
 - Demonstrate that it collects sufficient information from an institution opening an additional location to ensure that a quality education is being offered at the new location.

Suggested Documentation

- Policies
- Applications from institutions requesting a substantive change (each type)
- Documentation of implementation of agency's substantive change process
- Evidence of agency review of substantive change requests
- Approval/disapproval letters
- Process for granting prior approval of additional locations without site-by-site application, if appropriate
- Copy of written determination of an institution's meeting conditions to add new locations without prior site-by-site approval, if appropriate
- Copy of an institution's timely notification of the addition of locations, if appropriate
- Schedule of site visits to locations
- Documentation of site visits

§602.22 (a) (3) The agency's substantive change policy must define when the changes made or proposed by an institution are or would be sufficiently extensive to require the agency to conduct a new comprehensive evaluation of that institution.

Compliance Factors

- The agency must define, as part of its substantive change policy, when changes made or proposed by an institution it accredits are considered sufficiently extensive to require the agency to conduct a new comprehensive review of that institution. The policy should include controls applicable when an institution submits multiple change requests in the same timeframe.

Suggested Documentation

- Policies
- Examples, if appropriate, of proposed changes requiring a new comprehensive evaluation of an institution

§602.22 (b) The agency may determine the procedures it uses to grant prior approval of the substantive change. However, these procedures must specify an effective date, which is not retroactive, on which the change is included in the program's or institution's accreditation. An agency may designate the date of a change in ownership as the effective date of its approval of that substantive change if the accreditation decision is made within 30 days of the change in ownership. Except as provided in paragraph (c) of this section, these procedures may, but need not, require a visit by the agency.

Compliance Factors

- The agency must have written procedures regarding substantive change requests and reviews, which must specify that approvals are prospective, except as provided with respect to changes of ownership.
- The agency must document its review and approval of substantive changes.
- A site visit must be done if any of the criteria under paragraph (c)(1) are met.
- Regular site visits must be conducted to a representative sample of additional locations, as specified in paragraph (c)(2).

Suggested Documentation

- Policies and procedures
- Examples of substantive change requests and approvals/disapprovals

§602.22 (c) Except as provided in (a)(2)(viii)(A) of this section, if the agency's accreditation of an institution enables the institution to seek eligibility to participate in Title IV, HEA programs, the agency's procedures for the approval of an additional location where at least 50 percent of an educational program is offered must provide for a determination of the institution's fiscal and administrative capacity to operate the additional location. In addition, the agency's procedures must include--

(1) A visit, within six months, to each additional location the institution establishes, if the institution--

(2) A visit, within six months, to each additional location the institution establishes, if the institution--

(i) Has a total of three or fewer additional locations;

(ii) Has not demonstrated, to the agency's satisfaction, that it has a proven record of effective educational oversight of additional locations; or

(iii) Has been placed on warning, probation, or show cause by the agency or is subject to some limitation by the agency on its accreditation or preaccreditation status;

(3) An effective mechanism for conducting, at reasonable intervals, visits to a representative sample of additional locations of institutions that operate more than three additional locations; and

(4) An effective mechanism, which may, at the agency's discretion, include visits to additional locations, for ensuring that accredited and preaccredited institutions that experience rapid growth in the number of additional locations maintain educational quality.

(d) The purpose of the visits described in paragraph (c) of this section is to verify that the additional location has the personnel, facilities, and resources it claimed to have in its application to the agency for approval of the additional location.

Compliance Factors

- The agency must have a procedure for the review and approval of the establishment of additional locations where at least 50 percent of an educational program is offered prior to including the location in its accreditation.
- As part of the approval process, the agency must demonstrate that it reviews whether the institution has sufficient fiscal and administrative resources to operate an additional location.
- Agency policies for the establishment of additional locations must require the agency to conduct a site visit to the first three additional locations within six months of opening the location. The visit must occur prior to including the location in the institution's accreditation.
- The agency must demonstrate that it makes visits to all additional locations, regardless of the number, if the institution opening the additional location has not shown effective oversight of previously opened additional locations, or if the agency has placed the institution on warning, probation, or a show cause order or other limitation. These visits must occur prior to including the new additional location in the institution's accreditation.
- The agency must have effective criteria and procedures for monitoring the rapid growth in additional locations to ensure quality.
- The agency must have viable plans for conducting site visits to a representative sample of additional locations during the accreditation cycle when it accredits institutions that open multiple (more than three) additional locations, and for ensuring quality at institutions experiencing rapid growth. The plans must include:
 - the basis on which the representative sample is established
 - the criteria for scheduling visits to locations
 - the mechanism used to ensure institutions experiencing rapid growth maintain educational quality
- The agency must demonstrate that its site visits to additional locations verify that the location has the personnel, facilities and resources described in the institution's application for approval of the addition of the location(s).
- The agency must demonstrate that it collects sufficient information from an institution opening an additional location to ensure that a quality education is being offered at the new location.

Suggested Documentation

- A copy of the agency's policies on substantive change

- Site visit team reports
- Applications from institutions seeking to add individual additional locations
- Evidence of agency review of applications to add individual additional locations
- Approval/disapproval letters

§602.23 Operating procedures all agencies must have-

(a) The agency must maintain and make available to the public written materials describing—

- (1) Each type of accreditation and preaccreditation it grants;**
- (2) The procedures that institutions or programs must follow in applying for accreditation or preaccreditation;**
- (3) The standards and procedures it uses to determine whether to grant, reaffirm, reinstate, restrict, deny, revoke, terminate, or take any other action related to each type of accreditation and preaccreditation that the agency grants;**
- (4) The institutions and programs that the agency currently accredits or preaccredits and, for each institution and program, the year the agency will next review or reconsider it for accreditation or preaccreditation; and**
- (5) The names, academic and professional qualifications, and relevant employment and organizational affiliations of --**
 - (i) The members of the agency's policy and decision-making bodies; and**
 - (ii) The agency's principal administrative staff.**

Compliance Factors

- The agency must demonstrate that it has written policies and procedures in place to maintain and make available to the public at least all of the information required by and listed in (a) (1) through (a)(5), and that, if it offers different types of accreditation, that its published list(s) of preaccredited and accredited institutions and programs specify the type of accreditation granted.
- The agency must demonstrate that its information is accurate, up- to-date, and easily accessible to the public if placed on the agency's Web site.

Suggested Documentation

- The agency's written policies
- Examples of each type of information and its location as applicable
- If the agency grants different types of accreditation, accreditation letters that specify the type of accreditation granted

§602.23 (b) In providing public notice that an institution or program subject to its jurisdiction is being considered for accreditation or preaccreditation, the agency must provide an opportunity for third-party comment concerning the institution's or program's qualifications for accreditation or preaccreditation. At the agency's discretion, third-party comment may be received either in writing or at a public hearing, or both.

Compliance Factors

- The agency must demonstrate that it has written policies and procedures in place that require it to provide public notice and the opportunity for third party comments regarding institutions and programs it has scheduled for review.
- The agency's policies must include procedures for notifying the public and all of its relevant internal and external constituencies of the opportunity for comment, and the procedures for receiving and processing third-party comments.
- The agency needs to demonstrate that it allows sufficient time for the third-party comment process.
- The agency must demonstrate that it has followed its policies regarding providing an opportunity for third-party comments on upcoming reviews of institutions/programs.

Suggested Documentation

- Written policies and procedures
- A list of all of its internal and external constituencies
- Letters to each of its constituencies
- Web site postings or notices of review
- Responses from its constituencies responding to the request for public comments

§602.23 (c) The accrediting agency must—

(1) Review in a timely, fair, and equitable manner any complaint it receives against an accredited institution or program that is related to the agency's standards or procedures. The agency may not complete its review and make a decision regarding a complaint unless, in accordance with published procedures, it ensures that the institution or program has sufficient opportunity to provide a response to the complaint;

(2) Take follow-up action, as necessary, including enforcement action, if necessary, based on results of its review; and

(3) Review in a timely, fair and equitable manner, and apply unbiased judgment to, any complaints against itself and take follow-up action, as appropriate, based on the results of its review.

Compliance Factors

- The agency must demonstrate that it has written policies and procedures in place for receiving and processing complaints against its accredited institutions and programs and itself.
- The agency's policies must provide the institution and/or program sufficient opportunity to respond to the complaint prior to the agency making a determination regarding disposition of the complaint.
- The agency's policies must provide for analysis and resolution of complaints related to the agency's standards, policies and procedures, and explain the procedure by which, if appropriate, a complaint results in a review of an institution's or program's accreditation or preaccreditation status.
- The agency's policies must include the address to send the complaint, identify the relevant parties at the agency to receive the complaint, and the timeframes for processing and answering the complaint.
- The agency's complaint policies must not prevent the agency from considering complaints against an institution or program when that institution or program is involved in litigation or other actions by a third party.
- Policies should preclude participation by agency personnel against whom a complaint is lodged in the agency's decision-making on the complaint.
- The agency's complaint policies must include the process for responding to the complaint and notifying the complainant (except in cases where the complaint is submitted anonymously) and the institution/program of the results of its review.
- The agency must demonstrate that it has followed its complaint procedure policies.

Suggested Documentation

- The agency's written policies and procedures for addressing complaints, including those sent anonymously
- Copies of complaints and of letters notifying the institution or complainant of the agency's findings

§602.23 (d) If an institution or program elects to make a public disclosure of its accreditation or preaccreditation status, the agency must ensure that the institution or program discloses that status accurately, including the specific academic or instructional programs covered by that status and the name, address, and telephone number of the agency.

Compliance Factors

- The agency must demonstrate that it has written policies and procedures in place regarding the public disclosure by its accredited institutions and programs of their accreditation status.
- The agency's policies must require that its institutions/programs accurately disclose the accreditation status of the specific programs covered by the status and include the accrediting agency's name, address and telephone number.

Suggested Documentation

- Written policies and procedures
- Samples of institution/program disclosures

§602.23 (e) The accrediting agency must provide for the public correction of incorrect or misleading information an accredited or preaccredited institution or program releases about—

- (1) The accreditation or preaccreditation status of the institution or program;**
- (2) The contents of reports of on-site reviews; and**
- (3) The agency's accrediting or preaccrediting actions with respect to the institution or program.**

Compliance Factors

- The agency must have written policies and procedures in place that require its accredited institutions/programs to publicly correct misleading and incorrect accrediting information released by the institutions or programs about any item listed in sub-section (e)(1) through (e)(3).
- The agency's policies must include the ability to take adverse actions against the institution/program if the information is not corrected.

Suggested Documentation

- The agency's written policies
- Site visit team guidelines
- Letters to institutions/programs about correcting disclosed information.

§602.23 (f) The agency may establish any additional operating procedures it deems appropriate. At the agency's discretion, these may include unannounced inspections.

NOTE: No response is required to this section

§602.24 Additional procedures certain institutional accreditors must have.

If the agency is an institutional accrediting agency and its accreditation or preaccreditation enables those institutions to obtain eligibility to participate in Title IV, HEA programs, the agency must demonstrate that it has established and uses all of the following procedures:

(a) Branch campus.

(1) The agency must require the institution to notify the agency if it plans to establish a branch campus and to submit a business plan for the branch campus that describes--

(i) The educational program to be offered at the branch campus;

(ii) The projected revenues and expenditures and cash flow at the branch campus; and

(iii) The operation, management, and physical resources at the branch campus.

(2) The agency may extend accreditation to the branch campus only after it evaluates the business plan and takes whatever other actions it deems necessary to determine that the branch campus has sufficient educational, financial, operational, management, and physical resources to meet the agency's standards.

(3) The agency must undertake a site visit to the branch campus as soon as practicable, but no later than six months after the establishment of that campus.

Compliance Factors

- The agency must have written policies and procedures that address branch campuses.
- The agency's policies and procedures must require an accredited institution to seek and obtain approval from the agency before including the new branch in the institution's accreditation.
- Agency policies and procedures for approval of the addition of branch campuses must reflect how the agency determines that the branch campus has sufficient educational, financial, operational, management, and physical resources to meet the agency's standards.
- Agency procedures must require the institution to submit a business plan that describes the following:
 - The educational program(s) the institution plans to offer;
 - A budget projecting the revenues and expenditures as well as the expected cash flow at the site, and

- A description of the operation, management, and physical resources to operate at the new site.
- Agency policies for the approval of additional branch campuses must include at least all geographically separate campuses that meet the definition of "branch" in 34 CFR 600.2.
- Agency policies for approval of additional branch campuses must provide for a site visit conducted within six months of establishment of the campus.

Suggested Documentation

- Policies and procedures
- Examples of applications for a new branch submitted by an institution that includes all of the above factors
- Agency approvals of branch campuses
- A statement that none of the institutions the agency accredits have branch campuses and that none have plans to establish a branch campus

§602.24 (b) Change in ownership.

The agency must undertake a site visit to an institution that has undergone a change of ownership that resulted in a change of control as soon as practicable, but no later than six months after the change of ownership.

Compliance Factors

- The agency must have a comprehensive policy regarding a change of ownership that results in a change of control that requires the agency to conduct a full site visit within six months after the change of ownership occurs.
- The agency policy requires the institution and/or new owners to notify the agency of a change of ownership within a stated timeframe (usually 6 months) before the transaction and to submit all required documentation outlining the type of ownership (e.g., public, private, limited partnership, etc.)

Suggested Documentation

- A copy of the agency's written policy and procedures
- The copy of a notification from an institution that a change of ownership is planned
- Samples of signed management agreements, option agreements, or contractual agreements that demonstrate the kind of documentation the agency reviews in a change of ownership
- Evidence that the agency has implemented its policy and procedures, or a statement that none of its institutions have had a change of ownership resulting in a change in control

§602.24 (c) Teach-out plans and agreements.

(1) The agency must require an institution it accredits or preaccredits to submit a teach-out plan to the agency for approval upon the occurrence of any of the following events:

(i) The Secretary notifies the agency that the Secretary has initiated an emergency action against an institution, in accordance with section 487(c)(1)(G) of the HEA, or an action to limit, suspend, or terminate an institution participating in any title IV, HEA program, in accordance with section 487(c)(1)(F) of the HEA, and that a teach-out plan is required.

(ii) The agency acts to withdraw, terminate, or suspend the accreditation or preaccreditation of the institution.

(iii) The institution notifies the agency that it intends to cease operations entirely or close a location that provides one hundred percent of at least one program.

(iv) A State licensing or authorizing agency notifies the agency that an institution's license or legal authorization to provide an educational program has been or will be revoked.

(2) The agency must evaluate the teach-out plan to ensure it provides for the equitable treatment of students under criteria established by the agency, specifies additional charges, if any, and provides for notification to the students of any additional charges.

(3) If the agency approves a teach-out plan that includes a program that is accredited by another recognized accrediting agency, it must notify that accrediting agency of its approval.

(4) The agency may require an institution it accredits or preaccredits to enter into a teach-out agreement as part of its teach-out plan.

Compliance Factors

- The agency must have a policy that requires all the institutions it accredits, including those that do not participate in Title IV Federal financial assistance programs, to submit a teach-out plan in the four circumstances stipulated in the regulations.
- The agency's policy should specify the information the institution must include in a teach-out plan, identify the agency's criteria for equitable treatment of students, and require specification of any additional charges and notices to students of those charges.
- The agency must have procedures to review the teach-out plan.
- The agency's policies and procedures must require notice of the agency's approval of a teach-out plan to other recognized agencies that accredit programs offered by the institution.

Suggested Documentation

- Agency policies and procedures related to teach-out plans
- Copy of a teach-out plan the agency reviewed

- Agency's notice to the institution of its approval or disapproval of the plan
- A written statement from the agency that it has not reviewed any teach-out plans

§602.24 (c)(5) The agency must require an institution it accredits or preaccredits that enters into a teach-out agreement, either on its own or at the request of the agency, with another institution to submit that teach-out agreement to the agency for approval. The agency may approve the teach-out agreement only if the agreement is between institutions that are accredited or preaccredited by a nationally recognized accrediting agency, is consistent with applicable standards and regulations, and provides for the equitable treatment of students by ensuring that--

(i) The teach-out institution has the necessary experience, resources, and support services to

(A) Provide an educational program that is of acceptable quality and reasonably similar in content, structure, and scheduling to that provided by the institution that is ceasing operations either entirely or at one of its locations; and

(B) Remain stable, carry out its mission, and meet all obligations to existing students; and

(ii) The teach-out institution demonstrates that it can provide students access to the program and services without requiring them to move or travel substantial distances and that it will provide students with information about additional charges, if any.

(d) Closed Institution. If an institution the agency accredits or preaccredits closes without a teach-out plan or agreement, the agency must work with the Department and the appropriate State agency, to the extent feasible, to assist students in finding reasonable opportunities to complete their education without additional charge.

Compliance Factors

- The agency must have policies that require its member institutions that plan to enter into a teach-out agreement with another institution to submit that agreement to the agency for its approval.
- The agency's policies must require that the teach-out agreement provides for the following:
 - That the teach-out institution is able to provide the necessary experience, resources, and support services
 - That the educational program is of acceptable quality and reasonably similar in content, structure, and scheduling to that provided by the closed institution

- That the teach-out occurs between institutions that are accredited or preaccredited by a nationally recognized accrediting agency, is consistent with applicable standards and regulations, and meets obligations to existing students
- That student access to the program and services does not require them to move or travel substantial distances
- That the institution providing the teach-out will timely notify students of additional charges, if any
- The agency's policy and practices must be to work with the Department and the appropriate State agency, to the extent feasible, to ensure that students at an institution that has closed without a teach-out plan or agreement have reasonable opportunities to complete their education without additional charges.

Suggested Documentation

- A copy of the written policy regarding teach-outs
- A copy of a teach-out agreement that the agency approved
- A copy of the documentation implementing the teach-out
- A written statement that the agency has not approved a teach-out agreement
- A copy of the agency's policies regarding assistance to students of an institution that has closed without a teach-out plan or agreement

§602.24 (e) Transfer of credit policies. The accrediting agency must confirm, as part of its review for initial accreditation or preaccreditation, or renewal of accreditation, that the institution has transfer of credit policies that--

- (1) Are publicly disclosed in accordance with §668.43(a)(11); and**
- (2) Include a statement of the criteria established by the institution regarding the transfer of credit earned at another institution of higher education.**

Compliance Factors

- The agency must confirm during its on-site review of an institution that it has transfer of credit policies that are publicly disclosed and that the publication specifies the criteria the institution has established regarding transfer of credit earned at another institution.

Suggested Documentation

- Site visit team reports

§602.25 Due process.

The agency must demonstrate that the procedures it uses throughout the accrediting process satisfy due process. The agency meets this requirement if the agency does the following:

- (a) Provides adequate written specification of its requirements, including clear standards, for an institution or program to be accredited or preaccredited.**

(b) Uses procedures that afford an institution or program a reasonable period of time to comply with the agency's requests for information and documents.

(c) Provides written specification of any deficiencies identified at the institution or program examined.

(d) Provides sufficient opportunity for a written response by an institution or program, regarding any deficiencies identified by the agency, to be considered by the agency within a timeframe determined by the agency, and before any adverse action is taken.

(e) Notifies the institution or program in writing of any adverse accrediting action or an action to place the institution or program on probation or show cause. The notice describes the basis for the action.

(f) Provides an opportunity, upon written request of an institution or program to appeal any adverse action prior to the action becoming final.

(1) The appeal must take place at a hearing before an appeals panel that--

(i) May not include current members of the agency's decision-making body that took the initial adverse action;

(ii) Is subject to a conflict of interest policy;

(iii) Does not serve only an advisory or procedural role, and has and uses the authority to make the following decisions: to affirm, amend, or reverse adverse actions of the original decision-making body; and

(iv) Affirms, amends, reverses, or remands the adverse action. A decision to affirm, amend, or reverse the adverse action is implemented by the appeals panel or by the original decision-making body, at the agency's option. In a decision to remand the adverse action to the original decision-making body for further consideration, the appeals panel must identify specific issues that the original decision-making body must address. In a decision that is implemented by or remanded to the original decision-making body, that body must act in a manner consistent with the appeals panel's decisions or instructions.

(2) The agency must recognize the right of the institution or program to employ counsel to represent the institution or program during its appeal, including to make any presentation that the agency permits the institution or program to make on its own during the appeal.

(g) The agency notifies the institution or program in writing of the result of its appeal and the basis for that result.

Compliance Factors

- The agency has written policies governing due process that give an institution or program a clear and detailed explanation and notification of the rights, obligations, and duties of all parties in the proceedings.
- The agency's written procedures give an institution or program a reasonable period of time to comply with the agency's requests for information and documentation.
- The agency's written procedures include providing an institution or program written specification of any deficiencies identified at the institution or program.
- The agency provides sufficient time for a written response by an institution or program regarding any deficiencies identified before an adverse action is taken.
- The agency demonstrates that it notifies its accredited or preaccredited institutions or programs in writing of any adverse accrediting action or an action to place the institution or program on probation or show cause.
- The agency's written notice of adverse action describes the basis for the action and informs the institution/program of its right to appeal.
- The agency permits the institution/program the opportunity to appeal an adverse action decision and the right to be represented by counsel during an appeal of that decision, including making any presentation which the institution could make on its own behalf.
- The appeal must take place before an appeals panel that may not include current members of the decision-making body that took the initial adverse action.
- Members of the appeals panel must be subject to a conflict of interest policy.
- The agency's procedures must provide for an appeals panel affirming, amending, reversing or remanding the adverse action.
- The agency's procedures must stipulate which body is responsible for implementing a decision to affirm, amend or reverse an adverse action, and if it is not the appeals panel, must provide that the body implementing the decision act in a manner consistent with the decision made by the appeals panel.
- The agency's procedures must require the appeals panel to identify specific issues that the original decision-making body must address when a decision is remanded back to that body for further consideration.
- The appeals panel must meet the requirements for recognition, such as having a public member and having academic and administrative personnel if it accredits institutions, and educators and practitioners, if it accredits programs or single-purpose institutions, and be expressly recognized by the Department.
- The agency notifies the institution/program in writing of the result of its appeal and the basis for that result.

Suggested Documentation

- A copy of the agency's written policies covering all of the elements of this section
- Copies of agency letters specifying deficiencies identified at an institution or program
- Agency letters and written correspondence notifying the institution or program of the adverse decision and right to appeal, agency letters and supporting correspondence of the decision on the appeal, etc.
- Documentation that the agency has implemented its due process policies and procedures for the adverse action and the appeal from an unfavorable decision

- Documentation that the agency notifies institution/programs of their right to due process
- Copies of decisions made by the appeals panel, demonstrating that the appeals panel makes all types of decisions
- Copies of the communication from the appeals panel to the original decision-making body when the appeals panel decides to remand the adverse action for further consideration
- Copies of any decision implemented by the original decision-making body demonstrating that that body acted in a manner consistent with the appeals panel's decisions or instructions
- Copies of the applicable conflict of interest policies, and documentation of the implementation of those policies
- List of appeals panel members, including public members

§602.25 (h) (1) The agency must provide for a process, in accordance with written procedures, through which an institution or program may, before the agency reaches a final adverse action decision, seek review of new financial information if all of the following conditions are met:

(i) The financial information was unavailable to the institution or program until after the decision subject to appeal was made.

(ii) The financial information is significant and bears materially on the financial deficiencies identified by the agency. The criteria of significance and materiality are determined by the agency.

(iii) The only remaining deficiency cited by the agency in support of a final adverse action decision is the institution's or program's failure to meet an agency standard pertaining to finances.

(2) An institution or program may seek the review of new financial information described in paragraph (h)(1) of this section only once and any determination by the agency made with respect to that review does not provide a basis for an appeal.

Compliance Factors

- The agency must have written procedures describing its process to allow an institution or program to seek review of new financial information prior to the agency reaching a final adverse action decision.
- The procedures must allow an institution that was initially cited for multiple issues, and that has resolved all of the non-financial issues, to seek review of new financial information.
- The agency's procedures may provide for a review within or outside of the appeals process.

Suggested Documentation

- A copy of the agency's written procedures for the one-time review of new financial information prior to reaching a final adverse action decision
- Documentation that the agency has implemented its procedures, if applicable
- Agency letters and written correspondence notifying the institution or program of the right to seek review of new financial information
- A statement that none of the institutions or programs the agency accredits have sought review under this provision

§602.26 Notification of accrediting decisions.

The agency must demonstrate that it has established and follows written procedures requiring it to provide written notice of its accrediting decisions to the Secretary, the appropriate State licensing or authorizing agency, the appropriate accrediting agencies, and the public. The agency meets this requirement if the agency, following its written procedures—

(a) Provides written notice of the following types of decisions to the Secretary, the appropriate State licensing or authorizing agency, the appropriate accrediting agencies, and the public no later than 30 days after it makes the decision:

- (1) A decision to award initial accreditation or preaccreditation to an institution or program.**
- (2) A decision to renew an institution's or program's accreditation or preaccreditation;**

Compliance Factors

- The agency must have a written policy requiring it to give written notice of a decision to award initial accreditation or preaccreditation to the four entities in (a) no later than 30 days after the decision.
- The agency must have a written policy requiring it to give written notice of a decision to renew accreditation or preaccreditation to the four entities in (a) no later than 30 days after the decision.
- The agency must implement its policy.

Note: Appropriate accrediting agencies would be other agencies that also accredit the institution, program, or an institution in which the program is located. The appropriate State licensing agency would be the one with approval authority in State in which the institution or program resides.

Suggested Documentation

- A copy of the agency's policies covering all of the elements of this section
- Documentation (sample letters, Web site information, etc.) that the agency routinely notifies the entities listed in (a) of the types of accrediting decisions listed in (1) and (2)

§602.26 (b) Provides written notice of the following types of decisions to the Secretary, the appropriate State licensing or authorizing agency, and the appropriate accrediting agencies at the same time it notifies the institution or program of the decision, but no later than 30 days after it reaches the decision:

(1) A final decision to place an institution or program on probation or an equivalent status.

(2) A final decision to deny, withdraw, suspend, revoke, or terminate the accreditation or preaccreditation of an institution or program;

(3) A final decision to take any other adverse action, as defined by the agency, not listed in paragraph (b)(2) of this section;

(c) Provides written notice to the public of the decisions listed in paragraphs (b)(1), (b)(2), and (b)(3) of this section within 24 hours of its notice to the institution or program;

(d) For any decision listed in paragraph (b)(2) of this section, makes available to the Secretary, the appropriate State licensing or authorizing agency, and the public, no later than 60 days after the decision, a brief statement summarizing the reasons for the agency's decision and the official comments, if any, that the affected institution or program may wish to make with regard to that decision, or evidence that the affected institution has been offered the opportunity to provide official comment; and

Compliance Factors

- The agency must have a written policy requiring it to provide written notice of a final decision to place an institution or program on probation (or equivalent status), or to deny, withdraw, suspend, revoke, or terminate accreditation/preaccreditation, or to take any other adverse action, as defined by the agency, to the entities in (b) at the same time it notifies the institution/program of the decision but no later than 30 days after the decision.
- The agency policy must require the agency to provide written notice to the public of the decisions listed in (b) within 24 hours of its notice to the institution/program, and specify how this notice will be provided, including constituencies to which notification will be provided.
- The agency must document that it follows its policy for final decisions to place an institution/program on probation (or equivalent status), or to deny, withdraw, suspend, revoke, or terminate accreditation/preaccreditation, or to take any other adverse action.
- The agency's written policies must state that it will make available to the four entities listed in this section, within 60 days, a brief statement summarizing the reasons for the agency's decision and the official comments, if any, that the affected institution or program may wish to make with regard to that decision, or evidence that the institution or program has been offered the opportunity to provide official comments.

Suggested Documentation

- A copy of the agency's policies covering all of the elements of this section
- Documentation (sample letters, Web site information, etc.) that the agency routinely notifies the entities listed in (b) and (c) of the types of accrediting decisions listed in (b) (1) and (2)
- A declaration of intent to follow its policy and notify the entities listed in (b) and (c), if granted recognition

§602.26 (e) Notifies the Secretary, the appropriate State licensing or authorizing agency, the appropriate accrediting agencies, and, upon request, the public if an accredited or preaccredited institution or program—

(1) Decides to withdraw voluntarily from accreditation or preaccreditation, within 30 days of receiving notification from the institution or program that it is withdrawing voluntarily from accreditation or preaccreditation; or

(2) Lets its accreditation or preaccreditation lapse, within 30 days of the date on which accreditation or preaccreditation lapses.

Compliance Factors

- The agency must notify the public, as well as the Secretary, the appropriate State licensing or authorizing agency, and the appropriate accrediting agencies of information related to an institution's or program's actions regarding its accreditation. While the regulation specifies that the public is notified "upon request, the Department considers this to have been superseded by new language in the HEOA requiring notification to the public in the absence of a specific request.
- The agency must have written policies requiring it to make the required notifications under this section.
- The written policies must specify the required timeframes, recipients required by the regulation, and the process for notification to the public, including constituencies to which notice will be provided.
- The agency must have documented that it follows its notification policies.

Suggested Documentation

- A copy of the agency's policies covering all of the elements of this section
- Sample letters that the agency routinely notifies the entities listed in (e) of the types of actions listed in (e)(1) and (2)

§602.27 Other information an agency must provide the Department.

(a) The agency must submit to the Department—

(1) A copy of any annual report it prepares;

(2) A copy, updated annually, of its directory of accredited and preaccredited institutions and programs;

(3) A summary of the agency's major accrediting activities during the previous year (an annual data summary), if requested by the Secretary to carry out the Secretary's responsibilities related to this part;

(4) Any proposed change in the agency's policies, procedures, or accreditation or preaccreditation standards that might alter its—

(i) Scope of recognition, except as provided in paragraph (5)(a) of this section; or

(ii) Compliance with the criteria for recognition.

(5) Notification that the agency has expanded its scope of recognition to include distance education or correspondence education as provided in section 496(a)(4)(B)(i)(1) of the HEA. Such an expansion of scope is effective on the date the Department receives the notification.

(6) The name of any institution or program it accredits that the agency has reason to believe is failing to meet its Title IV, HEA program responsibilities or is engaged in fraud or abuse, along with the agency's reasons for concern about the institution or program; and

(7) If the Secretary requests, information that may bear upon an accredited or preaccredited institution's compliance with its Title IV, HEA program responsibilities, including the eligibility of the institution or program to participate in Title IV, HEA programs.

Compliance Factors

- The agency must demonstrate that it has written policies and procedures in place requiring it to provide to the Secretary the information listed in this section of the criteria (a)(1) through (a)(4), (a)(6) and (a)(7).
- The agency's policies must state that it agrees to submit the summary of its major accrediting activities for the past year, or an annual data summary if the Secretary requests this information.
- The agency must demonstrate that it implemented its policies regarding providing this information to the Secretary.

Suggested Documentation

- The agency's written policies and procedures for responding to the requirements of this section
- Copies of annual reports, directories, correspondence submitted to the Secretary providing notification any proposed changes in its standards, policies and procedures, and if applicable, correspondence notifying the Secretary of the agency's concerns regarding an institution's/program's compliance with Title IV requirements

§602.27 (b) If an agency has a policy regarding notification to an institution or program of contact with the Department in accordance with paragraph (a)(6) or (a)(7) of this section, it must provide for a case by case review of the circumstances surrounding the contact, and the need for the confidentiality of that contact. Upon a specific request by the Department, the agency must consider that contact confidential.

Compliance Factors

- An agency is not required to have a policy regarding notification to an institution or program of contact with the Department. However, if the agency has such a policy it must be in writing so the Department can review it for compliance.
- If an agency does have such a policy, the policy must provide for review of each contact on a case-by-case basis to enable the agency to properly assess whether confidentiality should be maintained. In addition, the policy should provide that if the Department specifically requests that a contact it has with an agency remain confidential, then the agency is required to consider that contact confidential.
- The agency must demonstrate that it follows the policy.

Suggested Documentation

- Agency policy regarding notification to an institution or program of contact with the Department
- Agency procedures for conducting a case-by-case review
- Documentation of implementation, including minutes

§602.28 Regard for decisions of States and other accrediting agencies.

(a) If the agency is an institutional accrediting agency, it may not accredit or preaccredit institutions that lack legal authorization under applicable State law to provide a program of education beyond the secondary level.

(b) Except as provided in paragraph (c) of this section, the agency may not grant initial or renewed accreditation or preaccreditation to an institution, or a program offered by an institution, if the agency knows, or has reasonable cause to know, that the institution is the subject of--

- (1) A pending or final action brought by a State agency to suspend, revoke, withdraw, or terminate the institution's legal authority to provide postsecondary education in the State;**
- (2) A decision by a recognized agency to deny accreditation or preaccreditation;**
- (3) A pending or final action brought by a recognized accrediting agency to suspend, revoke, withdraw, or terminate the institution's accreditation or preaccreditation; or**
- (4) Probation or an equivalent status imposed by a recognized agency.**

(c) The agency may grant accreditation or preaccreditation to an institution or program described in paragraph (b) of this section only if it provides to the Secretary, within 30 days of its action, a thorough and reasonable explanation, consistent with its standards, why the action of the other body does not preclude the agency's grant of accreditation or preaccreditation.

(d) If the agency learns that an institution it accredits or preaccredits, or an institution that offers a program it accredits or preaccredits, is the subject of an adverse action by another recognized accrediting agency or has been placed on probation or an equivalent status by another recognized agency, the agency must promptly review its accreditation or preaccreditation of the institution or program to determine if it should also take adverse action or place the institution or program on probation or show cause.

(e) The agency must, upon request, share with other appropriate recognized accrediting agencies and recognized State approval agencies information about the accreditation or preaccreditation status of an institution or program and any adverse actions it has taken against an accredited or preaccredited institution or program.

Compliance Factors

- The agency has a written policy covering all of the elements of this section.
- The agency's policy does not allow it to accredit or preaccredit institutions that lack legal authorization under applicable State law to provide a program of education beyond the secondary level.
- The agency's policy does not, as a general rule, allow it to grant accreditation or preaccreditation under any of the conditions listed in (b).
- If the agency does grant accreditation or preaccreditation under any of the conditions listed in (b), the agency's policy requires it to provide a thorough and reasonable explanation in writing to the Secretary of why, in light of the factors relied upon by the other accrediting agency or State agency and the other relevant information considered, its accreditation or preaccreditation decision is warranted under its standards.
- If the agency has granted accreditation or preaccreditation under (c), there is documentation that the agency notified the Secretary within the timeframe with an acceptable explanation.
- The agency's policy requires it to promptly review its accreditation or preaccreditation of any institution or program that meets the conditions in (d) and determine its course of action.
- The agency's policy requires it to share information regarding the status of, and any adverse actions it takes against, an accredited institution or program.
- There is evidence that the agency does share information regarding the status of, and any adverse actions it takes against, an accredited institution or program.
- There is no evidence that the agency has failed to comply with any of the requirements of this section or the policies adopted under it.

Suggested Documentation

- Written policies covering the requirements for each section
- Agency implementation (copies of decisions and documentation of application of policy in each section)

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