To: ACCSC-Accredited Institutions and Other Interested Parties  
From: Michale S. McComis, Ed.D., Executive Director  
Date: March 30, 2018  
Subject: Call for Comment

The Accrediting Commission of Career Schools and Colleges (ACCSC) presents the following topics for comment by the ACCSC membership and other interested parties:

Proposed Revisions to the Standards of Accreditation
- Section I Rules of Process and Procedure – Definitions, Accreditation Obligations, Eligibility and Process, and General Instructions
- Section VII (D) Rules of Process and Procedure - Commission Consideration of Third-Party Information
- Section II Substantive Standards – Program Requirements
- Section VI Substantive Standards – Student Services
- Section IV Rules of Process and Procedure – Change of Control/Ownership
- Section I Substantive Standards – Ownership, Management, and Administrative Operations
- Section IX Substantive Standards – Distance Education
- Rules of Process and Procedure - Miscellaneous Standards

The Commission welcomes and encourages the comments of ACCSC-accredited institutions and other interested parties on the topics listed above. The Commission encourages all member institutions and interested parties to read carefully the Commission’s request for feedback and to submit comments and recommendations for consideration by the Commission. The Commission will give careful consideration to the comments received, particularly those that reflect thoughtful insights which take into account what is best for the entire ACCSC membership and support and enhance ACCSC’s mission.

With regard to proposed revisions, after considering the written comments, the Commission may adopt the revision as proposed, adopt the revision with additional changes, defer action for further study and consideration, or reject the proposed revision. If the Commission adopts the revision, ACCSC will establish an effective date allowing reasonable time for institutions to come into compliance and will announce the revision via an Accreditation Alert.

All Comments are to be in the form of a PDF document on letterhead with the signature of the commenter. Please send all written comments to the attention of Michale S. McComis, Ed.D., Executive Director, via e-mail to mccomis@accsc.org.

Written comments regarding the Proposed Revisions to the Standards of Accreditation are due by April 30, 2018.

For assistance or additional information regarding this Call for Comment, please contact Michale S. McComis, Ed.D., Executive Director, at 703.247.4520 or mccomis@accsc.org.
Please note the following:

**Proposed Revisions Legend:** New Text, Text Moved From Another Section, Deleted Text, [Editorial Comment]

**PROPOSED REVISIONS #1**

**CLARIFICATION OF SECTION I – DEFINITIONS, ACCREDITATION OBLIGATIONS, ELIGIBILITY AND PROCESS, AND GENERAL INSTRUCTIONS**

**RULES OF PROCESS AND PROCEDURE**

**Rationale:** In reviewing Section I of the *Rules of Process and Procedure*, there are several instances where the language overlaps in non-continuous sections. The proposed revision seeks to provide clarification and easier review by schools, and to provide clarity for variations in educational objectives and ways to meet those objectives. The revisions also provide specificity regarding the submission of official notification to the Commission – e.g., an e-mail to ACCSC staff in not the proper channel to submit official correspondence or notification.

In addition, federal regulations state that in most cases accrediting agencies may not grant accreditation to a school that has been subject to adverse action by another accrediting agency or a state agency unless the agency can provide written explanation to the Secretary of Education for doing so. Although the ACCSC Preworkshop Application includes questions to pre-screen schools in this regard, this is not currently part of the eligibility criteria in the *Standards*. The proposed revision seeks to incorporate this as part of the eligibility requirements. In addition, ACCSC already requires formerly ACCSC-accredited institutions to wait 9 months before being eligible to submit an application for accreditation and as such the Commission believes a parallel waiting period requirement for schools that have lost accreditation is appropriate.

**SECTION I – DEFINITIONS, ACCREDITATION OBLIGATIONS, ELIGIBILITY AND PROCESS, AND GENERAL INSTRUCTIONS**

**B. Institutional Eligibility Requirements**  
**Purpose and Scope**

1. **Basic Information**

   1. **Purpose:** The Accrediting Commission of Career Schools and Colleges (ACCSC) reviews and accredits schools of higher education that offer programs in career-oriented areas of study. The primary purpose of the Commission is to establish and maintain high educational standards and ethical business practices among its accredited schools and to assess a school’s compliance with those standards. Accreditation is also a means of assisting career schools and colleges to improve by requiring self-evaluation and institutional assessment and improvement activities.

   2. **Scope:** ACCSC accredits postsecondary, non-degree-granting institutions and degree-granting institutions, including those granting associate, baccalaureate, and master’s degrees, that are predominantly organized to educate students in career-oriented areas of study to include institutions that offer distance education. ACCSC is recognized by the U.S. Department of Education to accredit these same institutions.

3. **Scope of ACCSC Institutional Accreditation:**

   a. All programs offered by a school that fall within the Commission’s scope must be approved by the Commission as within the school’s scope of institutional accreditation through the application for accreditation process and substantive change program approval process.
b. In order for a program to be included in the institution’s accreditation it must be within the Commission’s scope of accreditation and properly reported to and approved by the Commission.

c. The Commission will consider continuing education courses and avocational courses for inclusion in a school’s scope of institutional accreditation provided that those courses are related FN to the school’s approved career-oriented vocational programs and meet other established requirements set forth by applicable regulatory agencies and the Standards of Accreditation.

FN The Commission will consider GED preparation courses for approval as well as ESL courses that meet the requirements of Section II (D)(2), Substantive Standards.

d. Programs Outside of the Commission’s Scope: The Commission may consider a program that falls outside of ACCSC’s scope and may recognize that program as within the scope of the school’s institutional accreditation provided that:

i. The school has received specialty or programmatic accreditation for the program or

ii. The program has some other equivalent certification or approval that is sufficiently comprehensive to assure the Commission that the program to be offered meets the standards and competencies established in that field of study.

e. If a conflict exists between another accrediting or certification agency and ACCSC requirements, the more stringent requirement will take precedence. All other ACCSC standards and requirements would apply to the school and the programs approved by ACCSC.

4. c—Limitations of Scope of Accreditation Activities: The Commission does not profess to have within its capability, and does not define as its purpose, the evaluation of any school that may seek accreditation. Rather, a school must fall within the Commission’s scope and meet the requirements of this section before it may apply for consideration. Accordingly, the Commission may decline to consider for accreditation otherwise eligible schools if it determines that the programs offered by an applicant school fall outside the Commission’s primary scope and competence or there is a lack of standards necessary for meaningful review. Schools primarily directed toward avocational or general education objectives are ineligible for accreditation by the Commission.

5. Voluntary Process: Participation in the process of accreditation is voluntary on the part of the school. By applying for and receiving accreditation, a school accepts the obligation to demonstrate continuous compliance with the Standards of Accreditation.

6. Accreditation Fees and Obligations:

a. ACCSC is a non-profit corporation organized under the laws of the Commonwealth of Virginia. Fees paid by applicant and accredited schools support the work of ACCSC. By applying for and receiving accreditation, a school accepts the responsibility to pay all required fees and meet all obligations as set forth in the Standards of Accreditation and the AACSC Bylaws.

b. ACCSC is under no obligation to consider any application for initial accreditation it receives. The Commission establishes eligibility criteria it deems appropriate and may choose not to consider an application for accreditation for any reason.
C. Educational Objectives

1. i. The school’s primary educational objective must be to prepare students for entrance or advancement in one or more occupations requiring technical or career oriented competencies and skills. Educational objectives must be career oriented and provide graduates with the necessary competencies, skills, and level of education for employment in their fields of study. A school must ensure that all required courses are available to enable students to complete their programs of study.

Schools may enter into consortium, contractual or partnership agreements in accordance with Section II (A)(9), Substantive Standards, Standards of Accreditation. [See #3 below.]

2. ii. A school may have secondary educational objectives other than those described above (e.g., a GED preparation course, refresher training course, avocational courses, continuing education courses, etc.); however, any such educational objectives may not have greater priority within the school’s mission and operations than its career-oriented educational objective. The inclusion of courses with secondary educational objectives as within the school’s institutional scope of accreditation is at the option of the institution.

3. iii. A school may enter into consortium or partnership agreements where a portion of a program is offered by an entity other than the institution in accordance with Section II (A)(9), Substantive Standards, Standards of Accreditation.

4. A school may enter into contractual arrangements with business, industry, or government agencies for group training purposes. The school may represent these training programs as within the scope of the Commission’s accreditation only if the programs have been recognized or approved in accordance with accrediting requirements. [See #5 below.]

5. Regardless of any consortium/partnership agreement or contractual arrangement, only programs or courses that have been recognized or approved in accordance with accrediting requirements may be represented as being within the scope of the school’s institutional accreditation.

D. Institutional Eligibility Requirements

1. A main school must be a freestanding institution that is a legally established public or private entity (e.g., as a corporation, partnership, sole proprietorship, publicly owned, etc.) and reported as such to the appropriate, necessary, and applicable state and federal agencies and other accrediting agencies. A main school may establish separate facilities (i.e., branch or satellite location) in accordance with Section VIII, Substantive Standards, Standards of Accreditation.

2. A school must describe itself consistently to each accrediting agency, state agency, and federal agency with regard to identity (i.e., main school, branch, or equivalent), purpose, governance, programs, credentials awarded, personnel, finances, and constituents served, and must keep each agency apprised of any change in its status.

3. A school must be in compliance with all applicable federal, state, and local government requirements. In cases where accrediting standards and federal or state government requirements differ, the more stringent will apply. If conflicts exist between federal or state requirements and accrediting standards, the federal or state requirements will take precedence.

4a. In order for a school to be eligible to apply for, receive, or maintain ACCSC accreditation, a school must demonstrate that it meets the following eligibility criteria:

   ai. The school and its programs must fall within the Commission’s scope as stated in these Rules.
The school must have all necessary authorizations from the state(s) in which it operates and be in compliance with all applicable local, state, and federal requirements. Schools under investigation or sanction by a local, state, or federal agency may be deemed ineligible to apply for initial accreditation with ACCSC.

c. The school may not be subject to a final action taken by a state agency or another accrediting agency to suspend, deny, or withdraw/revoke approval/accreditation within the preceding 12 month period; or an action by a state agency or another accrediting agency that could potentially lead to the suspension, denial, withdrawal/revocation, or termination of approval/accreditation (e.g., Warning, Probation, Show Cause Order, Appeal, etc.).\[FN\] [See also Section VII Commission Actions below.]

\[FN\] For schools formerly accredited by ACCSC that have had accreditation withdrawn, the waiting period to submit an application for accreditation is nine months. See Section VII (P)(6), Rules of Process and Procedure, Standards of Accreditation.

c.iii. At the time of application, the school must have been appropriately licensed by the state(s) in which it operates and training students continuously for the preceding two consecutive years (except for regularly scheduled breaks and vacation periods) and must commit to operating continuously thereafter.

d.iv. At the time of initial application, the school must have graduated at least one class of students from the longest program(s) offered during the two-year period preceding its application for accreditation. Prior to a grant of initial accreditation, the school must be able to provide student achievement outcomes for its programs prepared in accordance with the Commission’s student achievement reporting requirements.

e.v. At the time of initial application, the school must be financially sound with sufficient resources for its proper operation and discharge of its obligations to students. The school must demonstrate two years of operating history through the submission of financial statements that are prepared in accordance with the Instructions for the Preparation and Submission of Financial Statements and Related Information and that show that the school has met the financial tests for initial applicants included in those instructions.

f.vi. The school must, at a minimum, offer at least one program that is 300 clock hours or longer in length.

g.vii. Within the six months prior to submitting an application for accreditation, the school’s full-time on-site director or appropriate management team representative (see Section I (A)(1)(a), Substantive Standards, Standards of Accreditation) must attend an ACCSC Accreditation Workshop.

h.viii. The school’s application for accreditation (initial or renewal) must be complete.

**Summary of the Accreditation Process**

**Obligations of the Institution in Applying for Accreditation**

**Obligations of the Institution to Maintain Eligibility for Accreditation**

**General Instructions – Submission of Documents to the Commission**

1. All submissions and notifications to the Commission must be organized and prepared in accordance with any specific instructions issued by the Commission and with the following specifications. All submissions and notifications must be:
a. Typewritten, clear, and legible (photocopies must be legible and photographs must be digital originals or clear copies);

b. Organized as required by the ACCSC Instructions for Electronic Submission (e.g., bookmarked using required software, etc.);

c. Identified with the school’s ACCSC reference number and include a signed certification attesting to the accuracy of the information;

d. Uploaded to ACCSC’s Electronic Record Management System (submissions and notifications not uploaded will not be considered to have met notification or submission requirements).

IG. Application Withdrawal

JH. Required Reports, Applications, and Fees

KI. Requests for Information
PROPOSED REVISIONS #2
ELIGIBILITY CRITERIA ALIGNMENT
COMMISSION ACTIONS, RULES OF PROCESS AND PROCEDURE

Rationale: In order to align with Section I (B)(2) of the Rules Eligibility Requirements (above) the following change is proposed to clarify Commission actions in circumstances of an action by another accreditor.

SECTION VII – COMMISSION ACTIONS

D. Commission Consideration of Third-Party Information

7. Commission Action Notwithstanding Third Party Action: If the Commission grants initial accreditation or re-accreditation to a school notwithstanding an action taken by a state agency or another accrediting agency to suspend, deny, or withdraw/revoke approval/accreditation or an action that could potentially lead to the suspension, denial, withdrawal/revocation, or termination of approval/accreditation (e.g., Warning, Probation, Show Cause Order, etc.) the threatened interim or final adverse actions taken against the school by another recognized accrediting agency or state agency, the Commission will provide the Secretary of the U.S. Department of Education with a thorough explanation, consistent with the Commission’s accreditation standards, regarding why the previous action by the accrediting agency or state does not preclude the Commission’s action.

PROPOSED REVISIONS #3
MASTER DEGREE CONCENTRATIONS AND COMPLETION DEGREE STANDARDS

Rationale: Schools continue to work to find ways to individualize their programs and adapt to current job market requirements. The Commission has reviewed several instances where schools have requested to include concentrations at the master’s degree level. Currently, the Standards of Accreditation only allow for concentrations at the baccalaureate level, but the Commission believes that based on the curriculum submissions by schools, allowing concentrations in graduate-level master’s degree programs would be appropriate. The proposed revision would provide parameters for including concentrations at the master’s program level and consistency with the baccalaureate completion degree programs. The proposal also provides an allowance for institutions that solely offer graduate-level education to be able to apply for master’s degree program approval.

SECTION II – PROGRAM REQUIREMENTS

C. Degree Programs

3. Baccalaureate Degrees

   e. A school may offer a baccalaureate degree completion program where only upper level courses (i.e., 300 and 400 level) are required. A baccalaureate degree completion program must be comprised of a minimum of 60 semester hours or 90 quarter hours of upper level coursework. In order to have a baccalaureate degree completion program approved, the school must require a student to have an earned associate, or higher level, degree from an accredited postsecondary educational institution that is related to the educational program objectives of the baccalaureate degree completion program and that the school considers
appropriate to prepare students for matriculation into the upper level courses. Additionally, the school must maintain compliance with the general education and technical education requirements under Section II (A) & (C), Substantive Standards, Standards of Accreditation. Advertising of this type of degree program must make clear that it is a baccalaureate degree completion program. [This additional text is for consistency and clarification purposes.]

4. Master’s Degrees
   a. General Requirements
      i. The institution’s curricular offerings must be consistent with the goals, objectives, and mission of the institution. Master’s degree-granting institutions must place emphasis on higher-level course work, including research and analytical skills, and independent and critical thinking skills. The master’s degree must evidence contribution to the field of study undertaken and that graduates are able to acquire the necessary competencies and skills for employment in the field of study undertaken.
      ii. Only institutions that are approved by the Commission to award baccalaureate degrees or institutions that solely offer Master’s degree programs may apply for master’s degree approval.
   b. Program Requirements
      i. The length of a master’s degree must be appropriate to enable students to achieve the required competencies and skills for employment or advancement in the field for which training is provided.
      ii. A master’s degree program must be designed and offered in a way that provides for a distinct level of education and fosters independent learning and an understanding of research methods appropriate to the academic discipline. Graduate level courses must be based on appropriate pre-requisites and learning outcomes and expectations must be clearly stated to students.
      iii. Master’s degree programs must include a minimum of 30 semester hours or 45 quarter hours. At least 24 semester hours or 36 quarter hours must be in the technical field for which the degree is awarded. Within the master’s degree, a school may offer one or more concentrations, which provide a focused area of training and establish specialized learning experiences beyond the generalist level. Concentrations must consist of 6-12 semester credit hours (9-15 quarter credit hours) of occupationally specialized course work.
PROPOSED REVISIONS #4
STUDENT SERVICES ADVISING AND COUNSELING
STANDARDS OF ACCREDITATION

Rationale: As currently written, the Standards of Accreditation do not make clear an expectation that schools consider providing counseling services in situations other than for ability-to-benefit students. The proposed revision provides additional guidance on student services programs and directs schools to have counseling services available when for example a school’s mission and student population is such that counseling is a necessary component of student success or when an individual situation – e.g., a traumatic event – might arise. The proposed revision is not meant to require that institutions in all cases hire full-time on-site counselors. However, only requiring counseling services for schools that enroll ability-to-benefit students is, in the Commission’s experience, a too narrow approach to ensuring that student needs are met by an institution.

SECTION VI – STUDENT SERVICES

STATEMENT OF PURPOSE

A. Advising and Counseling

3. The school maintains a student services program that takes into account the number of programs, and size and mix of the student body and that responds to individual student needs.

   i. These services—the student services program must be coordinated by an individual with appropriate professional and educational qualifications.

   ii. The student services program must minimally encompass relevant coping skills (e.g., life, career development, budget, and personal financial planning skills); general development appropriate to higher education students; student retention strategies suited to the school’s programs; academic advising; testing and tutoring services; supervision and monitoring of attendance records and leaves of absence; graduate employment assistance; and information concerning housing, transportation, and child care.

   iii. For schools that enroll ability-to-benefit students, student services include individual counseling. Schools must have counseling services available to students when warranted and necessary based on the student population and circumstances. An individual providing counseling services must have an appropriate license, credential, or training and work experience in the area of counseling. A school may contract with or refer students to an individual or service that is able to provide such counseling services as may be needed. Unless so qualified, an advisor may not perform the functions of a counselor and may not be referred to as a counselor.

45. The school maintains comprehensive documentation of student advising sessions.

56. The school continually monitors and addresses the students’ needs for services as a means to assist students achieve successful educational and student achievement outcomes.
**PROPOSED REVISIONS #5**

**CHANGE OF CONTROL & CHANGE OF OWNERSHIP**

**RULES OF PROCESS AND PROCEDURE**

**Rationale:** The proposed revisions that follow make clear that a change of “control” is the Commission’s primary concern and interest and that a change of ownership is but one instance in which a change of control may occur. Because the Commission now accredits a more diverse array of institutions (private and public, for profit and not for profit), these revisions give better guidance as to what constitutes a change of control that would require the filing of the necessary substantive change report to ACCSC.

In addition, the Commission considered the responses received to the January 13, 2017 Call for Comment and presents revised proposed revisions. As stated therein in an effort to better ensure that school ownership and ownership transactions serve the best interest of the long-term financial stability of a school, the Commission is proposing a revision to the Rules of Process and Procedure in the area of change of ownership and a revision to Section I of the Substantive Standards. Essentially, the Commission’s proposed revision will prohibit for-profit to non-profit ownership conversions that would allow for anyone having a financial interest in the school after the transaction to also serve on the non-profit organization’s board, or to be a member of the non-profit. The intent is to eliminate any conflict of interest for the new non-profit organization. The Commission has also added a footnote to clarify what a “financial interest” is as a means to provide greater clarity. See the January 13, 2017 Call for Comment for additional explanation and rationale in this regard.

**RULES OF PROCESS AND PROCEDURE**

**SECTION IV – NON-SUBSTANTIVE AND SUBSTANTIVE CHANGE NOTIFICATION AND APPLICATION REQUIREMENTS**

**E. Specific Substantive Change Provisions**

2. Change of Control/Ownership

*Control is the ultimate ability to direct or cause the direction of the actions of a school.* A change of control/ownership of an accredited school that results in a change of control requires approval of a transfer of accreditation to the *new controlling entity* owner prior to the consummation of the change of control/ownership.

In such a case, the Commission reviews a proposed transfer of accreditation to determine whether there is a substantial likelihood that the school will remain in compliance with accrediting standards after the ownership-change of control. If the school fails to obtain the Commission’s approval prior to the change of control/ownership, the accreditation of the school will not transfer. Consummation of a change of control/ownership without the Commission’s prior approval will result in withdrawal of the accreditation of the school effective as of the date of the ownership change of control. Appropriate state and federal agencies will be notified.

a. General Definition of Change of Ownership and Control: A change of ownership requiring the Commission’s prior approval of a transfer of accreditation is a *change in governance* that would result in a *new individual, group, or entity having control* change in the control of an ACCSC-accredited school as defined above. Control is the ability to direct or cause the direction of the actions of a school.
b. Examples of Transactions Considered to Be a Change of Ownership and Control: These examples are illustrative only. Even if a transaction is not described in this list of examples, it will be considered a change of ownership requiring prior Commission approval if it meets the general definition of a change of control stated above.

i. A change of ownership that results in a new individual, group, or entity owning the majority interest in the ownership entity (e.g., a corporation).

ii. The sale or transfer of a majority of the school’s assets.

iii. The sale or assignment of the controlling interest of the voting stock of a corporation that owns the school or that controls the school through one or more subsidiaries, whether to persons who have not previously owned such stock or between existing stockholders.

iv. The merger or consolidation of the school with one or more other schools or the merger or consolidation of the corporation that owns or controls the school with one or more other corporations.

v. An independent corporation owning a school that becomes a subsidiary of another corporation with different ownership.

vi. A conversion of the school’s ownership to or from a for-profit from or to a non-profit corporation or a conversion to or from a private ownership entity from or to a public ownership entity.

vii. Changes to public companies and non-profit organization as set forth below.

viii. The assignment of the controlling interest of the school to a new party/entity that would result through a bankruptcy, receivership, or similar proceeding.

c. Change of Ownership: A proposed transfer of accreditation as a result of a change of ownership and control will be approved only if it is determined that the proposed new owners, governing entity (e.g., Board of Directors), and managers have records of integrity and the capability to own and operate a school in accordance with the Standards of Accreditation, that the financial structure of the school will remain sound with sufficient resources for the operation of the school and discharge of obligations to students, and that the school will otherwise remain in continuous compliance with accrediting standards.

d. Change of Control for Public Companies: The Commission recognizes that defining control of companies with stock that is publicly traded in securities markets and registered with the Securities and Exchange Commission (SEC) may involve additional considerations. Thus, while the general definition of a change of ownership still applies, but in applying that definition to public companies that control accredited schools, the Commission will consider a change of ownership to occur if a person or other entity:

i. Acquires 25% or more of the voting stock of the corporation and has the ability to exercise control over its management and operations;

ii. Holds more than 25% of the voting stock and sells stock such that the person or other entity then holds less than 25% and loses the ability to exercise control over management and operations; or

iii. Is considered to have acquired or lost control under the securities laws.

Ability to exercise control for public companies: A person will be considered to have the ability to exercise control over management and operations if the person is a member of the
board of directors, has the ability to elect or designate members of the board, or is a member of senior management. In addition to the notification requirements explained below, public companies must promptly notify the Commission of filings with the SEC that report significant acquisitions of their stock.

e. **Change of Control for Non-profit Organizations:**

   i. Control of a non-profit organization rests with its members if it is a membership organization and the members have the right to elect the board of directors. Control of a non-profit organization rests with the board of directors if it is not a membership organization. In addition to the application of the general definition and the examples listed in Section IV (E)(2)(a&b), Rules of Process and Procedure, Standards of Accreditation above, a non-profit organization will be considered to have a change of control ownership if fundamental changes are made to its governance structure or if more than two-thirds of its Board changes within a 12-month period.

   ii. The Commission will not approve a change of control transaction which would allow for an individual/entity/group (owner or manager) that would have a financial interest in the non-profit organization to be a board member, have a Board seat, or be a member of the non-profit corporation.

   \[FN\] Financial interest in this context means instances when an individual could receive financial benefit or harm from the school's operations (e.g., an individual to whom the school owes debt, an individual that has a business or contractual relationship with the school, etc.). Financial interest in this context does not refer to a board member fulfilling fiduciary duties and responsibilities on behalf of the non-profit organization.

f. Exclusions: The following are not considered changes of control that require approval through the filing of a change of control ownership application.

   i. Controlling parties that retain control after transaction: The Commission is principally concerned with the actual ability to control rather than the form through which control is exercised. Thus, the Commission may not consider a transaction to be a change of control or ownership if the same parties who had the ability to control the actions of the school (i.e., majority ownership interest) retain that ability after the transaction. For example, a sole proprietorship changing to a limited liability partnership would not be considered a change of ownership if the ownership party that originally had the ability to control the direction of the school retained a majority ownership interest and the ability to control the direction of the school in the newly created LLP. This exclusion only applies to ownership and does not apply to management contracts, written or verbal.

   ii. A transfer of ownership interest within an immediate family. Members of the immediate family for this purpose are parents, spouses, siblings, and children of the existing owners. Such intra-family transactions that meet this definition require the submission of a Change of Ownership Report thirty (30) days prior to the transaction. Through the submission of this report the school must describe with supporting documentation how the new owner is qualified to operate an accredited post-secondary educational institution. Based upon a review of this report, the Commission, at its discretion, may take action that it believes necessary, proper, and fair to ensure the school’s ongoing compliance as outlined in Section VII (R) of these Rules.

   iii. Options, warrants, and other rights to acquire ownership/controlling interests and debt: These transactions/provisions are generally not considered in determining ownership unless accompanied by agreements that substantially affect the ability to control the management and operations of the school. However, should an option or right to
acquire majority ownership or control be exercised, the school must file the applicable change of control application.

iv. A change in the members of the board of directors of a public company through the regular exercise of stockholders’ franchise except as set forth in the definition of a Change of Control for Public Companies above.

v. A change in the membership of the board of directors or governing board of a non-profit corporation through the regular exercise of the bylaws of that corporation and normal expiration of board member terms except as set forth in the definition of a Change of Control for Non-profit Organizations above.

g. Application for a Change of Control Ownership—Part I, Notification and Filing Requirements:

i. Notification: A minimum of 30 days before the change is proposed to take place, a school seeking to change ownership must submit an Application for a Change of Control Ownership—Part I and all required attachments.

ii. Application Content: The school must provide sufficient information to allow an assessment of its projected financial stability and responsibility under the proposed new controlling individual, group, or entity ownership and by explaining the financing of the proposed transaction. Additional consideration may be required if the background of the proposed owners, board members, or managers raises questions as to their qualifications, the proposed ownership change of control raises concerns as to the soundness of the financial structure of the school, or other concerns arise regarding the school’s compliance with accrediting standards.

h. Commission Action on an Application for a Change of Control Ownership—Part I: Upon review of the Application for a Change of Control Ownership—Part I, the Commission may take one of the following actions:

i. Approve the transfer of accreditation;

ii. Defer the matter for further consideration;

iii. Deny the transfer of accreditation; or

iv. Take any other action deemed appropriate pursuant to these Rules.

i. Failure to Obtain Advance Approval: Failure to obtain approval of the transfer of accreditation in advance of the change of control/ownership will result in the withdrawal of the school’s accreditation and removal of the school from the list of ACCSC-accredited schools as of the date that the change of control/ownership occurred.

j. Failure to Obtain Approval from another Regulatory Agency: If a school fails to secure or is denied approval of a change of control/ownership/control from another oversight regulatory agency (e.g., a state or federal agency) after ACCSC has approved the change, the Commission will reconsider its approval action and may void that action and revert its approval back to the original control ownership structure or take some other appropriate action.

k. Change of Control Ownership—Approval Expiration: The approval of a change of control ownership expires if the transaction is not completed within 90 days from the date disclosed in the Application for a Change of Control Ownership—Part I. Once expired, a school must submit a new Application for a Change of Control Ownership—Part I, to include the application processing fee.
1. Appeals: A denial of a transfer of accreditation, or a withdrawal of accreditation because of an unapproved change of control, may be appealed in accordance with the procedures set forth in Section VIII, Rules of Process and Procedure, Standards of Accreditation.

m. Confidentiality: All information supplied to the Commission by a school and its prospective owners as part of the change-of-control review process will be treated as confidential in accordance with accrediting standards. Accordingly, confidentiality or non-disclosure agreements between the parties to a proposed change of control will not excuse noncompliance with the Commission’s advance approval requirements on for changes of control.

n. Additional Reporting: In accordance with the general requirements pertaining to notification in this section, a school must notify the Commission of ownership and management changes and contractual agreements that affect control of the school even if these changes or agreements do not constitute a change of ownership under the definitions explained above. These notification requirements include all sales or assignments of ownership interests of 10% or more, changes in the chief executive officer of the company or organization that owns or controls the school, and changes to the board of directors other than in the normal course of term completion. [This requirement is set forth under the notifications required by Section V of the Rules of Process and Procedure.]

o. Application for a Change of Control—Part II, Notification and Filing Requirements:
   i. Schools that receive Commission approval for the proposed transfer of accreditation must file an Application for a Change of Control—Part II within 45 days after the consummation of the change of control.
   ii. On-Site Evaluation: An on-site evaluation of the school will be conducted within six months of the date that the control change occurred. The on-site evaluation will be undertaken by, at a minimum, an ACCSC Team Leader and ACCSC staff member. An on-site evaluation report will be prepared and provided to the school for a response.

p. Commission Actions Following the On-Site Evaluation: Upon review of the Change of Control On-site Evaluation Report and the school’s response to the report, the Commission will take one of the following actions:
   i. Continue the school’s accreditation under the new control structure;
   ii. Defer the matter for further consideration;
   iii. Take any other action that it deems appropriate; or
   iv. If a school fails to demonstrate that it is operating in compliance with accrediting standards under the new control structure, the Commission may vote to remove the school from the list of ACCSC-accredited schools or take other appropriate action in accordance with these Rules.

p. Total Re-evaluation: If warranted, the Commission may require the school, and any separate facilities, to undergo a total re-evaluation. A total re-evaluation of the school will require the school’s director to attend the next scheduled Accreditation Workshop, the submission of an Application for Renewal of Accreditation and Self-Evaluation Report, the submission of all required fees, and a full-team on-site evaluation as prescribed by Section III, Rules of Process and Procedure, Standards of Accreditation.
Restrictions:

i. A school that undergoes a change of ownership may not relocate beyond 25 miles within a two-year period from the date that the ownership change of control occurred.

ii. A school that relocates beyond 25 miles may not apply for a change of control ownership for a period of two years from the date that the Commission approved the relocation.

iii. A main school may not apply for accreditation of a branch campus within one year following the Commission’s recognition of a transfer of accreditation resulting from the change of control, unless the main school can show good cause why it should be allowed to apply for a branch campus in a shorter timeframe.

iv. A school that is subject to a Warning or Probation Order may only seek the Commission’s approval for the transfer of accreditation that would result from a change of control ownership only by making a clear and convincing showing of good cause that demonstrates that the proposed change of control ownership would substantially resolve the issues that led to the Warning or Probation Order. If the Commission determines that such a showing has been made and permits the transfer of accreditation, the school will still be required to respond to the pending Warning or Probation Order and demonstrate that the school has come into compliance with accrediting standards such that the Warning or Probation Order should be lifted.

SECTION I – OWNERSHIP, MANAGEMENT, AND ADMINISTRATIVE OPERATIONS

A. Management and Administrative Capacity

1. The school must have adequate management and administrative capacity in place that includes:

   b. Owners, board members,\textsuperscript{FN} members of school management, and administrative employees who are qualified for their particular roles and who possess the appropriate education, training, and experience commensurate with the level of their responsibilities;

\textsuperscript{FN} If the school is part of/owned by a non-profit organization/corporation, an individual/entity/group (owner or manager) that has any financial interest in the non-profit organization/corporation may not serve as a board member, have a seat on the Board, or be a member of the corporation. Financial interest in this context means instances when an individual could receive financial benefit or harm from the school’s operations (e.g., an individual to whom the school owes debt, an individual that has a business or contractual relationship with the school, etc.). Financial interest in this context does not refer to a board member fulfilling fiduciary duties and responsibilities on behalf of the non-profit organization.

Conforming revisions to be made to other section of the Standards of Accreditation to replace “change of ownership” with “change of control.”
PROPOSED REVISIONS #6
DISTANCE EDUCATION STANDARDS
SUBSTANTIVE STANDARDS

Rationale: As more schools implement various forms of distance education, the current standards may not capture all areas helpful for the Commission to understand the school’s proposed delivery methodology required for approval distance education applications. The proposed revisions clarify the terms related to distance education, incorporate language from the Statement of Purpose into the standards, and include items previously only included the Application for Distance Education.

SECTION IX – DISTANCE EDUCATION

STATEMENT OF PURPOSE

This section provides specific requirements for the delivery of distance education. Distance education, as defined by the Commission, is a formal process in which instruction within a program or course of study occurs when the student and instructor are not in the same location at the same time. Distance education employs telecommunication or other technologies (e.g., learning management system) for the delivery of instruction, and may be synchronous or asynchronous in nature including documented activities. Schools must ensure that only appropriate programs or courses of study are taught using distance education methodologies; that assessment measures are in place for admissions, student progress, and student achievement; and that appropriate resources and services are available to support student success.

Distance education employs telecommunication or other technologies for the delivery of instruction, and may be synchronous or asynchronous in nature. Schools offering programs or courses of study via distance education must adhere to, and are responsible for, demonstrating compliance with accrediting standards as prescribed by this section, and elsewhere in the Standards of Accreditation. In accordance with the Rules of Process and Procedure, schools seeking to add or modify a distance education program or course of study must receive Commission approval prior to implementation. After a distance education program or course of study has been approved and included within a school’s scope of accreditation, it will be subject to the normal monitoring mechanisms available to the Commission. Appropriate admissions criteria must be in place and adhered to, necessary resources and services must be available to support student success, and mechanisms must be in place to measure and support student achievement outcomes. All other requirements outlined in the Standards of Accreditation apply. [This language has largely been incorporated into the revisions that follow below.]

A. General Distance Education Requirements

The following requirements apply to all programs, irrespective of the credential offered.

1. Schools offering programs or courses using hybrid or blended approaches or offering 100% of a program using distance education technologies and are responsible for demonstrating compliance with accrediting standards as prescribed by this section, and elsewhere in the Standards of Accreditation.

2. Schools must ensure that only appropriate programs or courses of study are taught using distance education methodologies (the delivery of educational materials via technology); that assessment measures are in place for admissions, student progress, and student achievement; and that appropriate resources and services are available to support student success.
3. **State Authorization**

   a. A school must be able to demonstrate that the school obtained all necessary state authorizations to offer distance education in each State in which the school enrolls students.

   b. A school must provide demonstration of state approvals where the school has enrollments or intends to enroll. If the state does not require approval from the state(s), evidence from the agency to that effect must be provided.

B. **Management and Administrative Operations**

1. The school must have adequate distance education management and administrative capacity in place that includes:

   a. A qualified distance education administrator or team of administrators with the appropriate combination of distance education experience and/or training to effectively oversee the school’s distance education programs or courses of study, and to ensure that they meet the objectives and the mission of the school.

   b. The distance education management team must participate in ongoing distance education development and training activities. Where new members of distance education management and administrative employees are hired by the school, the school must provide distance education related development and training activities.

   c. Appropriate management, administrative capacity, and infrastructure to support the growth in a distance education program. The Commission will monitor student enrollment data for distance education programs on an annual basis to determine if the enrollments in an approved distance education program have experienced significant growth and to ensure that the school has maintained its ability to successfully administer, support, and manage its distance education activities.

   d. Appropriate distance education administrative and operational policies and procedures to which the school adheres and reviews and updates as needed.

2. The school retains responsibility for the quality of the programs and courses of study offered through distance education methods and the achievement of expected and acceptable outcomes, irrespective of any contractual arrangements, partnership agreements, or consortia agreements entered into with third parties for the provision of components of a distance education program or course of study.

3. **Distance Education Facility**

   a. A distance education facility must be, where required, licensed by the appropriate state regulatory agency with oversight responsibilities of the school.

   b. A distance education facility must be under the same ownership as the main school or branch campus, and the oversight school must demonstrate its proper management, control, and supervision of the distance education Facility.

   c. A distance education facility must meet all necessary requirements outlined in Section VIII, Substantive Standards, Standards of Accreditation. [Moved Below.]

3. **Institutional Assessment and Improvement**

   a. The school’s institutional assessment and improvement activities must ensure that sufficient facilities, equipment, technology, and other resources and infrastructure associated with
distance education are appropriate to the subject matter of the program or courses of study, and are integrated in the long-term institutional assessment and improvement plan and budget of the school.

b. The school must directly review and is responsible for the currency and quality of all distance education components as part of its institutional assessment and improvement activities. The school’s institutional assessment and improvement activities must meet all necessary requirements outlined in Section I (B), Substantive Standards, Standards of Accreditation.

4. The school establishes authentication policies and processes regarding student verification in a distance education course or program as follows:

a. The school verifies that the student who registers in a distance education course or program is the same student who participates in and completes the course or program and receives the academic credit and verifies 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.

b. The school establishes processes that protect student privacy and notifies students of any projected additional student charges associated with the verification of student identity at the time of registration or enrollment.

B. Objectives and Student Achievement

1. The objectives of distance education programs and courses of study must be consistent with the mission of the school and its educational and training objectives, and must be readily available for student consideration.

2. Programs and courses of study must be appropriate for delivery through distance education methods and facilitate delivery of course content such that students may reasonably be expected to achieve the learning outcomes.

3. Observable, measurable, and achievable student performance outcomes must be identified so that programs or courses of study offered through distance education methods can be compared to programs or courses of study with similar subject matter and objectives, whether offered by distance education methods or residential means.

4. The school must specify the expected knowledge, skills, and competency levels that students will achieve in a distance education program or course of study, and such knowledge, skills and competency levels are equivalent to those expected from comparable programs or courses of study.

5. Graduation, employment and, where applicable, state licensing examination pass rates must be assessed in accordance with Section VII (B), Substantive Standards, Standards of Accreditation.

C. Programs, Curricula, and Resources

1. The length of the distance education programs and courses of study must meet all necessary requirements outlined in Section II, Substantive Standards, Standards of Accreditation.
2. The school must demonstrate that the content and length of a distance education program or course of study are comparable to residential programs. The school must justify and provide validation for any deviation from established clock-to-credit hour conversions, if applicable.

3. The school must ensure that materials, programs, and courses of study are current and comprehensive, and undergo periodic review as part of the school’s institutional assessment and improvement plan.

4. The programs and courses of study must provide for timely and meaningful interaction between students and faculty, and among students.

5. The school’s learning resource system must meet all necessary requirements outlined in Section II (A)(7), Substantive Standards, Standards of Accreditation and are accessible to students in an online format.

6. Program Advisory Committees for programs or courses of study offered via distance education must consist of at least one member who is qualified to review and comment on distance education and must conform to the requirements set forth in Section II (A)(6)(g), Substantive Standards, Standards of Accreditation.

7. The school must establish and adhere to clear policies on ownership of instructional materials and protection of copyright.

D. Catalog and Advertising

1. The catalog and other publications must clearly describe distance education programs or courses of study, including the school’s expectations of distance education students, admissions requirements, the prerequisites for participation, expected learning outcomes, graduation requirements, access to the learning resource system, student services, technology requirements, and any other requirements.

2. The catalog must meet all necessary requirements outlined in Section IV (C)(1), Substantive Standards, Standards of Accreditation.

3. All advertisements and promotional materials must meet all necessary requirements outlined in Section IV (B), Substantive Standards, Standards of Accreditation and the ACCSC Advertising of Accredited Status Form.

E. Admissions Requirements and Enrollment

1. The school must demonstrate compliance with Section V, Substantive Standards, Standards of Accreditation and must be able to document that students admitted into distance education programs or courses of study met the school’s admissions criteria.

2. The school must establish an admissions process requirements for distance education programs and courses of study that includes the following:

   a. An assessment of the student’s technical skills, competencies, and access to technology necessary to succeed in a distance education environment prior to their enrollment in the program or course of study and

   b. An assessment of a student’s capability to benefit successfully from enrolling in a distance education program prior to enrollment. The school must utilize an assessment tool (i.e. test, preparation/orientation course) to determine if the student’s learning style is conducive to online learning.
3. **The school must demonstrate the validity and reliability of the assessment tools used to assess a student's readiness for online delivery of educational content through review and analysis of academic progress and student achievement data.**

F. **Faculty**

1. The school must employ faculty who have the qualifications and the experience to teach using distance education methods. Faculty teaching in distance education programs must meet the appropriate requirements set forth in *Section III (B), Substantive Standards, Standards of Accreditation.*

2. The school must provide orientation and training for faculty in accordance with *Section III (B)(4), Substantive Standards, Standards of Accreditation*, which specifically addresses teaching skills and instructional methods in a distance education environment.

3. The institution must have clear, consistent policies, measures, and procedures to evaluate the performance and needs of faculty members, and to assess faculty effectiveness in distance education programs or courses of study.

4. The school must ensure that faculty provide opportunities and means for timely and meaningful interaction with students appropriate to the learning environment.

5. The school must develop policies addressing teaching load (inclusive of residential and distance education), class size, time needed for course development, and the sharing of instructional responsibilities that allow for effective teaching in a distance education environment.

G. **Student Services**

1. Student services must be made available to students enrolled in distance education programs or courses of study in accordance with *Section VI, Substantive Standards, Standards of Accreditation.* The school must ensure that there is adequate supervision of its student services for students enrolled in a distance education program or course of study.

2. The school must provide orientation to the distance education environment for students enrolled in distance education programs or courses of study.

3. The school must ensure that faculty and staff respond in a timely manner to student questions and concerns, both academic and administrative.

H. **Distance Education Facility**

1. A distance education facility must be, where required, licensed by the appropriate state regulatory agency with oversight responsibilities of the school.

2. A distance education facility must be under the same ownership as the main school or branch campus, and the oversight school must demonstrate its proper management, control, and supervision of the distance education Facility.

3. A distance education facility must meet all necessary requirements outlined in *Section VIII, Substantive Standards, Standards of Accreditation.*

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FN1 See *Section VIII (A)(3), Substantive Standards, Standards of Accreditation* for the definition of a distance education facility.

FN2 The school that possesses the locus of distance education approval.
**Glossary of Distance Education Terms:**

“Hybrid” or “Blended” means courses or programs in which some portion of on-campus instruction is replaced by online learning activities.

“Distance Education Program” means a program in which all courses are delivered online, without the need for any on-campus classes. Programs may be delivered synchronously or asynchronously.

“Synchronous” means courses where all students are required to participate at the same time; however, students and instructor are in separate locations. These courses may be delivered by video conferencing, web conferencing, audio conferencing, etc.

“Asynchronous” means courses where students are not required to participate in any online sessions at the same time.

**PROPOSED REVISIONS #7**

**MISCELLANEOUS STANDARDS**

**RULES OF PROCESS AND PROCEDURE**

**Rationale:** The following proposed revisions are largely meant to provide greater clarity, take into consideration issues that have lately arisen for the Commission, or conform to other sections of the Standards of Accreditation.

**SECTION II – APPLICATION FOR ACCREDITATION AND SELF EVALUATION**

A. Applications for Accreditation

1. Application for Initial Accreditation¹

   h. The Commission is under no obligation to consider any application for initial accreditation it receives. The Commission establishes eligibility criteria it deems appropriate and may choose not to consider an application for accreditation for any reason to include, but not limited to, prior or pending legal actions and investigation(s) by a law enforcement or administrative body; prior or pending administrative actions by an oversight entity; prior accreditation actions and any adverse accreditation decision; a lack of financial soundness; or the background of a school’s owner(s), governors, board members, or administrators.

**SECTION V – ANNUAL REPORT, NOTIFICATIONS, AND OTHER REPORTING**

E. Notification Reports

1. Each accredited school and each applicant for initial accreditation must notify ACCSC of any material event or circumstance that will or could affect the school’s operations, policies, staff, curricula, reputation, approval status or authority to operate as a legal entity, or financial status. Such notification must be in writing, made within 10 calendar days of the event’s occurrence, and is in addition to disclosures that are required in the applications for initial or renewal of accreditation or any substantive change report.

2. Material events or circumstances necessitating such notification include but are not limited to:

   a. Filings of petitions for bankruptcy, receivership, or reorganization;

¹ Unaccredited schools or schools accredited by another agency seeking ACCSC accreditation.
SECTION VII – COMMISSION ACTIONS

B. Effective Date of Commission Decision

7. The Commission will not consider petitions for reconsideration and only those actions set forth in Section VIII of these Rules are subject to appeal. [Conforming Amendment – Section VIII (8)(3), Rules of Process and Procedure, Standards of Accreditation.]

K. Warning

1. In cases where the Commission has reason to believe that a school is not in compliance with one or more accreditation standards or other requirements, the Commission may at its discretion, issue a Warning to the school. A school that receives a Warning will be required to demonstrate corrective action and compliance with accrediting standards.

2. The suspension, withdrawal/revocation, or involuntary termination of a school’s accreditation from another accrediting body or its license or authority to operate from a state agency will immediately cause a Warning to be issued to the school.

3. The filing for bankruptcy or receivership will immediately cause a Warning to be issued.

4. A Warning may be initiated by the Commission or by the Executive Committee in accordance with Section 1.09.a, AACSC Bylaws, Standards of Accreditation.

Renumber 5-8 to 6-9

SECTION VIII – APPEAL OF A COMMISSION DECISION

B. Grounds for Appeal and Standard of Review

1. A school affected by an adverse accreditation action taken by the Commission may appeal that decision if it has reason to believe the Commission’s decision was arbitrary, capricious, or otherwise in substantial disregard of the criteria or procedures of the Commission, or not supported by substantial evidence in the record on which the Commission took action.

C. Appeal Procedures

1. Letter of Intent to Appeal: To initiate an appeal process the school must submit a Letter of Intent to Appeal accompanied by the required appeal fee, within 10 days of receipt of the Commission’s official notice of the adverse accreditation decision.

2. Application for Appeal of a Commission Decision and Grounds for Appeal: Within 30 days of receipt of the Commission’s official notice of the adverse accreditation decision, the school must submit the Application for Appeal of a Commission Decision and Grounds for Appeal in accordance with the requirements set forth therein.