



MEMORANDUM TO THE FIELD MAY 2018

TO: ACICS-Accredited Institutions and Interested Parties
FROM Accrediting Council for Independent Colleges and Schools
DATE: May 3, 2018

The Memorandum to the Field contains proposed criteria along with other information for ACICS-Accredited Institutions and Interested Parties

1.	Proposed Criteria Revisions.....	1
	A. Minimum Eligibility – Programs with no enrollment.....	1
	B. Financial Reporting.....	2
	C. Student Achievement.....	2
	D. Date of Revocation Following a Campus Closure.....	4
	E. Voluntary Withdrawal	5
2.	For Information Only.....	6
	A. Opportunity to Vacate Show-Cause Directive.....	6
	B. Systematic Review.....	7
	C. Learning Sites	7
	D. Graduation Rate Guidelines.....	7
	E. Termination of Doctoral Programs	7
	F. Renewal of Accreditation Workshop.....	8
3.	Comment Survey – Proposed Criteria Revision.....	8

1. Proposed Criteria Revisions

At its most recent meetings, in February and April, the Council reviewed specific areas of the ACICS *Accreditation Criteria* outlined in this section, and approved the revisions as proposed for feedback from the field (new language is underlined, deleted language is struck). Proposed changes are reconsidered for final approval and implementation at the Council’s next meeting and incorporate the perspectives shared by the field. Public comment on these revisions is requested through the ACICS Comment Survey explained at the end of the memorandum. ACICS requests comments and recommendations from a broad cross section of ACICS stakeholders, including students, faculty, school administrators, policy advocates, and other interested parties.

A. Minimum Eligibility – Programs with no enrollment

Explanation of Proposed Changes:

The Council proposes to remove procedural language regarding the minimum eligibility of an institution that may be seeking accreditation but has a program with little to no enrollment. The proposed stricken language is outdated and procedural in nature, therefore not applicable.

Section 1-2-100(e) – Minimum Eligibility Requirements

To be eligible for consideration for accreditation, an institution or entity must satisfy the following minimum requirements.

- (e) ... It shall have a sufficient number of graduates from a majority of its programs to enable ACICS to assess the educational effectiveness of those programs. ~~Programs offered at any credential level from which there are no graduates will be reviewed in accordance with Section 2-2-107.~~

B. Financial Reporting

Explanation of Proposed Changes:

The Council proposes to clarify the requirements for an institution's Annual Financial Report (AFR). The proposed language would explicitly state that the AFR dates, as well as those on other financial reports, should align with the institution's financial year.

Section 2-1-802. Annual Financial Report. The Annual Financial Report must be submitted on Council forms and be certified by an officer or stockholder of the corporation. Data reported must align with an institution's fiscal year and must be submitted separately for each campus included in ~~at~~ the institution's grant of accreditation. It is due no more than 180 days after the end of the institution's fiscal year. Failure to submit the Annual Financial Report in a timely manner will result in the revocation of accreditation.

Section 2-1-803. Compliance Audits and Audited Financial Statements. Title IV compliance audits and audited financial statements, certified by an independent certified public accountant, are essential instruments in the determination by ACICS of an institution's compliance with Title IV requirements and financial stability. All institutions are required to submit audited financial statements within 180 days of the end of their fiscal year, and the statements must represent the institution's fiscal year. All institutions that participate in the Title IV program are required to submit the compliance audit within 180 days of the end of their fiscal year. This audit must also represent the institution's fiscal year, as required by U.S. Department of Education regulations.

C. Student Achievement

Explanation of Proposed Changes:

The Council proposes additional language to the student achievement standards, in consideration of best practices in the industry that are aligned with its expectations. The additional language gives consideration to extenuating circumstances during the review of a campus's data relevant to student achievement on the Campus Accountability Report (CAR). Recognizing that there may be external factors, beyond the control of the campus, which severely impact its ability to maintain compliance with outcomes, the Council will provide an opportunity for these campuses to submit substantive evidence of the direct relationship for its review. The campus would also have to demonstrate, through other direct and indirect indicators, that students have achieved the outcomes of the program.

In addition, the Council also proposes language which further clarifies its expectations for the review and actions on reported licensure pass rates, when needed for employment. The proposed language will defer to any action taken by the oversight agencies' in their focused review of the outcomes in the programs where licensure/registration/certification is required for employment. In its review of the differing roles of these agencies across states and industries, the Council determined that its monitoring and incorporation of licensure outcomes as part of its overarching consideration of student achievement review would be more appropriate and consistent with other accrediting agencies.

2-1-809. Student Achievement Review. The Council reviews the Campus Accountability Report (CAR) to monitor performance in terms of student achievement at both the campus and program levels. Measures will include retention, placement, and licensure or certification examination pass rates, if applicable. When this review indicates that the achievement of an institution's students is below benchmark, the Council at its discretion will take action consistent with the guidelines outlined in Appendix L, Student Achievement Standards and Campus Accountability Reports.

APPENDIX L

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STUDENT ACHIEVEMENT STANDARDS

Student achievement standards outlined below apply to retention and placement rates at the campus and program levels, and licensure or certification examination pass rates, where applicable, at the program level. Minimum standards are intended to ensure that a substantial majority of students at ACICS-accredited campuses are retained, pass licensure or certification examinations where applicable, and find appropriate employment. Consideration will be given to extenuating circumstances in relation to local, state, or national requirements or trends; student population; program length; graduates pending the completion of licensure or certification exams; economic or cultural factors; or any other reasonable circumstances impeding an institution's ability to meet or exceed the established compliance standard. However, the institution must also submit documented evidence of student learning through other appropriate indicators.

Campus-Level Student Achievement Elements (Effective 2013 Reporting Year)	Standard	Benchmark*
Retention Rate	60%	70%
Placement Rate	60%	70%
Program-Level Student Achievement Elements (Effective 2013 Reporting Year)	Standard	Benchmark*
Retention Rate		
<ul style="list-style-type: none"> • Program length equal to or less than one (1) year • Program length equal to or more than one (1) year 	60%	70%
	60%	65%
Placement Rate	60%	70%
	60%[^]_^	70%

Licensure Examination Pass Rates, where applicable**		
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**A campus and/or program whose rates fall below the Benchmark must develop and implement an Improvement Plan.*

***Standards apply to programs for which licensure or certification is required to practice in the specific career field. The program is required to meet any higher licensure or certification agency standards.*

^ The Council also will consider any conditions or negative actions from other oversight agencies, as well as additional student achievement indicators when taking an action.

D. Date of Revocation Following a Campus Closure

Explanation of Proposed Changes:

The Council proposes language to provide clarification that an institution's grant of accreditation or a campus' inclusion in an institution's grant of accreditation will be revoked effective the last date of academic activity/instruction, not the final day of administrative operations (the date a campus finally closes its doors), since academic activity is required for accreditation. This correlates with the date that an institution reports to the Department of Education for Title IV purposes.

The revision would also clarify that the accreditation of a summarily suspended institution would be revoked effective a date later than its actual closure, should the institution provide information (not a petition indicating that it has not closed) as to its actual closure date.

2-2-301. Closing of a Main Campus. An institution is required to notify ACICS as far in advance as possible when it plans to cease operation. It must complete the appropriate forms describing its plans for teaching out its students and for storing and servicing its records and other information necessary for effecting the cessation of operations as smoothly as possible. The institution's grant of accreditation will be revoked effective its final date of academic activity~~as of the effective date of closing~~.

When ACICS receives information from any source that an institution has ceased to operate, it shall immediately take steps to verify the information. If the Council believes that the institution, in fact, has ceased operations, the grant of accreditation is summarily suspended. Such action is authorized without prior notice or hearing and with immediate public notice.

The institution shall be notified of the summary suspension in writing at its address of record. Within 10 days after receipt of the suspension notice, the institution may petition ACICS for an expedited determination of whether such suspension should be withdrawn. If no petition is filed within 10 days, the suspension automatically shall become a revocation effective as of the date of notice of suspension. Alternatively, should the closed institution provide ACICS with information regarding its final date of academic activity, the suspension shall become a revocation effective as of the date provided by the institution.

2-2-302. Closing of a Nonmain Campus. An institution is required to notify ACICS as far in advance as possible when it plans to close a nonmain campus. It must complete the appropriate forms describing its plans for teaching out its students and for storing and servicing its records and other information necessary for effecting the cessation of operations as smoothly as possible. The nonmain campus will cease to be included in the institution's grant of accreditation effective its final date of academic activity as of the effective date of the closing.

2-3-401. Revocation. Revocation occurs without a hearing for any of the following reasons:

- (a) An institution or campus notifies the Council that it has closed and/or ceased operation.
- (b) An institution or campus fails to submit a written response to a show-cause directive by the indicated due date.
- (c) An institution or campus whose accreditation has been summarily suspended does not challenge or appeal the suspension within 10 days of receipt of the suspension notice. (See Section 2-2-301.)
- (d) The institution or campus fails to file an annual report as required by the Council. (See Sections 2-1-801-2-1-802.)
- (e) The institution or campus fails to pay its annual fees, application fees, other assessed fees, or evaluation expenses. (See Section 2-1-804.)

E. Voluntary Withdrawal

Explanation of Proposed Changes:

The Council proposes the addition of language on the formal process that should be employed when an institution wishes to voluntarily withdraw its accreditation or the inclusion of one of its branches from within its accreditation status from ACICS. This language provides the necessary actions to be taken by an institution or campus seeking to withdraw and the subsequent revocation action that would be taken by the Council upon withdrawal. Institutions are advised that implications may exist for the eligibility of their students for licensure or certification exams necessary for graduate employment, should they withdraw from their institutional accreditation.

2-2-700 – VOLUNTARY WITHDRAWAL

If an institution seeks to voluntarily withdraw from its grant of accreditation by ACICS, or the inclusion of one or more of its nonmain campuses from within its grant of accreditation, it must submit written notice to ACICS of its request. The notice must be signed by the chief executive or administrative officer of the institution, and indicate the requested date of effect. The institution's grant of accreditation will be revoked as of the effective date, or retroactive to the date that all outstanding obligations, including payment of fees, had previously been fulfilled by the institution.

2-3-401. Revocation. Revocation occurs without a hearing for any of the following reasons:

- (a) An institution or campus notifies the Council that it has closed and/or ceased operation.
- (b) An institution notifies the Council that it is voluntarily withdrawing its grant of accreditation or the inclusion of one or more of its nonmain campuses from within its grant of accreditation.
- (c) ~~(b)~~ An institution or campus fails to submit a written response to a show-cause directive by the indicated due date.
- (d) ~~(e)~~ An institution or campus whose accreditation has been summarily suspended does not challenge or appeal the suspension within 10 days of receipt of the suspension notice. (See Section 2-2-301.)
- (e) ~~(d)~~ The institution or campus fails to file an annual report as required by the Council. (See Sections 2-1-801-2-1-802.)
- (f) ~~(e)~~ The institution or campus fails to pay its annual fees, application fees, other assessed fees, or evaluation expenses. (See Section 2-1-804.)

A revocation action is not appealable. It requires an institution to start anew and to undergo the entire accreditation process to regain accreditation.

ARTICLE VI

Membership, Fees, and Meetings

Section 2–Loss of Membership. Any member that ceases to be accredited by ACICS shall automatically, and without the necessity for further action, be deemed to be removed from membership. Members may voluntarily ~~resign~~ withdraw pursuant to the procedures described in 2-2-700, which ~~also~~ results in a revocation ~~loss~~ of accreditation. All obligations owed to ACICS, including payment of fees, shall be fulfilled prior to resignation. The loss of accreditation shall be retroactive to the date that all outstanding obligations had previously been fulfilled, if applicable.

2. For Information Only

A. Opportunity to Vacate Show-Cause Directive Following Continued Placements

At the April 2018 meeting, the Council approved a procedural change which will allow for institutions or programs placed on show-cause due to placement, to continue confirmation of the employment for graduates from the previous CAR period, through the PVP. The campus must comply with the directives issued from the show-cause action; however, if the campus continues to confirm, verify, and validate placements for the reporting period which resulted in the show-cause action, it may send a formal request to CAR@acics.org to have that CAR unlocked so to make revisions to the placement data. Once approved, the CAR can only be revised once, and the institution must have placed enough graduates to increase their placement rate above the compliance standard. Once the CAR has been revised and successfully approved, the campus can then make a formal request to the Council to vacate the show-cause action. Institutions are advised

that the revised rate will not replace placement rate initially reported rather, it will serve as additional data for the Council to consider during its next cycle of review.

B. Systematic Review

As ACICS continually strives to enhance its standards to remain current with the best practices in the industry, the Council continues its solicitation of feedback from all stakeholders. As previously described, the Council's 2018 Systematic Review Program includes the areas of Distance Education (Appendix H), English as a Second Language (Appendix F), and the development of standards relevant to institutions outside of the United States. The Council respectfully requests feedback from all parties in these areas, along with the proposed revisions above. Stakeholders with expertise in a particular area are especially invited to contact staff for direct involvement in the continued review and revision of these components of the *Accreditation Criteria*. Requests may be sent to Karly Zeigler, Manager Policy and Institutional Compliance at kzeigler@acics.org.

C. Learning Sites

Effective January 1, 2017, the Council approved a change in the definition of a learning site as outlined in Section 1-3-103 of the *Accreditation Criteria*, which stipulated that learning sites must be located within five miles of the oversight campus or otherwise approved by the Council on a case-by-case basis. Institutions were given until January 1, 2018 to come into compliance with the new definition.

In August 2017, an extension through December 31, 2018, was approved for institutions to re-designate, close, or provide rationale of appropriateness, for any sites located outside of the five-mile radius. This notice is to serve as a reminder and institutions are advised that ACICS will be sending communications to those identified as having active learning sites that do not meet the current definition. This communication will require institutions to respond to the Council concerning the closure, redesignation to branch status, or petition to keep the learning site active with substantive rationale.

D. Graduation Rate Guidelines

ACICS continue to collect graduation information by cohort on the quarterly Campus Accountability Report (CAR) submissions. Graduation rate guidelines were communicated in the January 2018 Memorandum to the Field and are expected to be taken into consideration in the campus's review and evaluation of graduation rates as a component of the Campus Effectiveness Plan (CEP).

E. Termination of Doctoral Programs

As communicated previously, via the Memorandum to the Field and direct correspondence to the institutions offering doctoral programs, ACICS will terminate all doctoral criteria on December 31, 2019, and all doctoral programs would have to be taught out or the institution has transitioned to another accrediting body. ACICS remains committed to this plan while supporting institutions who serve these students.

F. Renewal of Accreditation Workshop

With a number of institutions scheduled to undergo the renewal of accreditation review process, ACICS will be offering a **Renewal Accreditation Workshop** on Tuesday, July 10, 2018, at its offices in Washington, DC. Registration information will be posted on the website shortly.

G. Statement of Accreditation

In light of the recent U.S. Secretary of Education's order reinstating the recognition of ACICS back to December of 2016, institutions are advised that they may update their statement of accreditation in all publications to reflect this status.

3. Comment Survey – Proposed Criteria Revision

The Council encourages students, faculty, administrators, evaluators, employers, and other interested parties to provide feedback regarding proposed revisions to Council policies and procedures. Comments on the proposed Criteria revisions are due by **Friday, June 29, 2018**. ACICS is collecting all comments from the field on proposed Criteria revisions through an electronic survey. Please find the survey link below:

<https://www.surveymonkey.com/r/F7DGP6N>

In preparation for the scheduled AWARE Webinar on Tuesday, May 15th, 2018 to discuss these proposed changed and informational procedures, please send your questions to kzeigler@acics.org to ensure that we are able to provide as much guidance as possible.

For any other questions or to provide policy comments, please contact:

Ms. Karly Zeigler
Manager of Policy and Institutional Compliance
kzeigler@acics.org