



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF POSTSECONDARY EDUCATION

June 3, 2013

Dear Executive Directors:

I am writing to inform you of a planned change in the way we will review petitions for renewal of recognition beginning in 2015 until such time as the HEA is reauthorized and new regulations are promulgated. Rather than requiring agencies to respond to all of the Criteria for Recognition in 34 CFR Part 602, we will select a sub-set of the criteria that we believe are the most relevant to ensuring quality education and focus with more depth on this limited number of criteria. In determining which criteria to focus on, we considered the list of “most frequently cited criteria”; things that are most likely to change regarding an agency’s activities (such as its staffing, finances, and qualifications of individuals on review teams and decision-making bodies); how the agency assesses an institution/program based on its standards, and how it communicates the results of its assessment; how the agency ensures continued compliance with its standards; and when it takes enforcement actions. The selected criteria are included as an attachment.

Agencies will be required to submit documentation of site team reports/decision letters for a variety of types of institutions/programs they accredit in exchange for this lighter burden when seeking renewal of recognition. They will still remain accountable for remaining in compliance with all of the applicable criteria.

Some agencies will be required to respond to additional criteria based on the following:

- If the agency wants to request a waiver of the separate and independent requirements. An agency is required to apply for the waiver each time it comes up for renewal of recognition. §602.14(d)
- Any instance of non-compliance that comes to our attention.
- Any information available to the Department as to institutional or agency ineffectiveness or misconduct that bears on agency compliance with one or more criteria. Such information may come from FSA, complaints or the press.
- Any changes in the qualifications of the members of the agency’s decision-making bodies, how any of those members are elected or selected, in development of budget, in payment of dues, or in joint use. §§602.14(b) & (c)
- Any areas where the agency’s policies and/or procedures have changed significantly.
- A request for a change in the agency’s scope and following an agency’s notification to the Secretary of its increase in scope to include distance education.

In such cases, the agency will be notified which criteria it must address in its petition well in advance of the deadline for submission.

Any agency seeking initial recognition will be required to respond to all of the criteria that apply to an agency of its type (e.g., institutional, programmatic, Title-IV gatekeeper) and scope (e.g., distance/correspondence education).

We are beginning this focused review process in Fall 2015 because no agencies are scheduled for renewal of recognition in Fall 2014 and the first part of 2015. This is the result of the dissolution and reconstitution of NACIQI following passage of the Higher Education Opportunity Act, which resulted in a hiatus of reviews between 2009 and Fall 2010, and the fact that agencies come up for review every five years.

We believe that this approach will lessen the burden on accrediting agencies and better focus staff and NACIQI energies on assessing the effectiveness of agencies in ensuring quality education.

My staff and I are available, as always, to respond to any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Kay W. Gilcher". The signature is written in a cursive, flowing style.

Kay W. Gilcher  
Director, Accreditation Group

Enclosure

**Criteria to Be Addressed by All Agencies Applying for Renewal of  
Recognition During and After 2014  
Until Such Time as New Statutory and/or Regulatory Requirements are in  
Effect<sup>1</sup>**

**ORGANIZATIONAL & ADMINISTRATIVE REQUIREMENTS**

**§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;

(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;

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

(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;

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

(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;

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<sup>1</sup>Agencies seeking initial recognition will be required to submit a full petition addressing all of the criteria.

(v) Administrative staff; and

(vi) Other agency representatives; and

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## **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.
    - (ii) Curricula.
    - (iii) Faculty.
    - (iv) Facilities, equipment, and supplies.
    - (v) Fiscal and administrative capacity as appropriate to the specified scale of operations.
    - (vi) Student support services.
    - (vii) Recruiting and admissions practices, academic calendars, catalogs, publications, grading, and advertising.
    - (viii) Measures of program length and the objectives of the degrees or credentials offered.
    - (ix) Record of student complaints received by, or available to, the agency.
    - (x) Record of 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.

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**§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;

\* \* \*

(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's or program's performance with respect to student achievement; and

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**§602.19 Monitoring and reevaluation of accredited institutions and programs.**

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(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.

**§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;

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

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

## **REQUIRED OPERATING POLICIES AND PROCEDURES**

### **§602.22 Substantive change.**

(1) 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 –

(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 the existing offerings of education programs, or method of delivery, from those that were offered when the agency last evaluated the institution. (NOTE: this should cover direct assessment/competency-based programs)

(iv) The addition of programs of student at a degree or credential level different from that which is included in the institution's current accreditation or preaccreditation.

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NOTE: Agencies will be required to submit documentation of site team reports/decision letters for a variety of types of institutions/programs they accredit in exchange for this lighter burden when seeking renewal of recognition.

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**Agencies will be asked to respond to additional criteria based on the following:**

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- Any instance of non-compliance that comes to our attention.
- Any information available to the Department as to institutional or agency ineffectiveness or misconduct that bears on agency compliance with one or more criteria. Such information may come from FSA, complaints or the press.
- Any changes in the qualifications of the members of the agency's decision-making bodies, how any of those members are elected or selected, in development of budget, in payment of dues, or in joint use. §§602.14(b) & (c)
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All analyses would carry the following disclaimer (or something like it):

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning specific practices, procedures, policies and standards of the agency must not be construed as acceptance, approval, or endorsement of those specific practices, procedures, procedures, policies or standards. Furthermore, it does not relieve the agency of its obligation to comply with all of the statutory and regulatory provisions pertinent to recognition and the role of recognized accreditors as Title IV gatekeepers, including those statutory and regulatory provisions not discussed by the agency in its petition. This analysis does not address any changes in policies, procedures or standards that have not been disclosed to the Staff by the agency in this recognition proceeding, nor any policies, procedures or standards disclosed in prior recognition proceedings or to Department personnel outside of this recognition proceeding.

This report reflects initial findings, listed by criterion. These findings are not final. The Senior Department Official will issue a final decision letter listing the criteria, if any, with which the Department finds the agency to be out of compliance.