

U.S. Department of Education

**Staff Report
to the
Senior Department Official
on
Recognition Compliance Issues**

RECOMMENDATION PAGE

1. **Agency:** Association for Biblical Higher Education, The (1952/2007)
(The dates provided are the date of initial listing as a recognized agency and the date of the agency's last grant of recognition.)
2. **Action Item:** Petition for Continued Recognition
3. **Current Scope of Recognition:** The accreditation and preaccreditation ("Candidate for Accreditation") of Bible colleges and institutes in the United States offering undergraduate programs through both campus-based instruction and distance education.
4. **Requested Scope of Recognition:** The accreditation and preaccreditation ("Candidate for Accreditation"), at the undergraduate level, of institutions of biblical higher education in the United States offering both campus-based and distance education instructional programs.
5. **Date of Advisory Committee Meeting:** June, 2012
6. **Staff Recommendation:** Continue the agency's current recognition and require the agency to come into compliance within 12 months, and submit a compliance report that demonstrates the agency's compliance with the issues identified below.

Revise the agency's official scope of recognition as requested.

7. **Issues or Problems:** It does not appear that the agency meets the following sections of the Secretary's Criteria for Recognition. These issues are summarized below and discussed in detail under the Summary of Findings section.

- The agency must demonstrate that it meets the separate and

independent requirements [§602.14(a)].

- The agency must demonstrate that it has established and implemented guidelines for each member of its decision-making bodies (commission and appeals panel) to avoid conflicts of interest in making decisions [§602.14(b)].
- The agency must provide documentation of the adoption of the proposed bylaws amendments to demonstrate that joint use of personnel with ABHE does not compromise the independence and confidentiality of the COA accreditation process [§602.14(c)].
- The agency must demonstrate that its appeals panel members are trained on their responsibilities. The agency must also demonstrate that it follows its policies for the selection of appeals panel members and evaluators [§602.15(a)(2)].
- The agency must provide documentation of implementation of its revised conflict of interest policy for all entities included in this section. The agency must also demonstrate how it informs all of the entities included in this section of the conflict on interest policy and its applicability. It must also demonstrate that it follows its policies and procedures concerning the selection of evaluators and appeals panel members [§602.15(a)(6)].
- The agency must demonstrate that it evaluates the appropriateness of the measures of student achievement chosen by its institutions, and that it assesses the compliance of institutions with its student achievement standards [§602.16(a)(1)(i)].
- The agency must demonstrate that it evaluates an institution's record of student complaints in conjunction with the agency's standards and overall review of the quality of an institution [§602.16(a)(1)(ix)].
- The agency must demonstrate that it has policies and procedures regarding joint accreditation reviews [§602.17(c)].
- The agency must provide documentation to demonstrate how it monitors significant enrollment growth [§602.19(d)].
- The agency must demonstrate that it consistently enforces the time period to return to compliance with the agency's standards [§602.20(a)].
- The agency must demonstrate that its policy concerning extensions for good cause includes a maximum length of such extension [§602.20(b)].
- The agency must provide documentation of its process to review its standards as a whole. The agency must also provide documentation of

the opportunity for all constituencies to comment on the standards review process [§602.21(a) & (b)].

- The agency must demonstrate that it notifies all of its relevant constituencies and other interested parties of proposed standards changes, provides an opportunity to comment on the proposed changes, and takes into account any comments on the proposed changes submitted timely. The agency must also document completion of any action to review and revise standards [§602.21(c)].
- The agency must provide documentation that it has implemented its substantive change policy with respect to approvals that include specific effective dates and that are not retroactive [§602.22(b)].
- The agency must revise its policies and procedures to require a site visit within six months of the establishment of the additional location, as required by this section [§602.22(c)(1)].
- The agency must demonstrate that it has an effective mechanism for conducting, at reasonable intervals, visits to a representative sample of additional locations of all institutions that operate more than three additional locations [§602.22(c)(2)].
- The agency must provide documentation to demonstrate implementation of the amended standard [§602.24(e)].
- The agency must provide documentation to demonstrate that it takes action on any deficiencies related to this section [§602.24(f)(3)].
- The agency must demonstrate that it has policies and procedures in place to promptly notify the Secretary when it finds systemic noncompliance with the agency's credit hour standards or significant noncompliance regarding one or more programs at the institution [§602.24(f)(4)].

EXECUTIVE SUMMARY

PART I: GENERAL INFORMATION ABOUT THE AGENCY

The Commission on Accreditation (COA or agency) of the Association for Biblical Higher Education (ABHE) accredits Bible colleges and institutions offering undergraduate programs through both campus-based instruction and distance education.

The agency is an institutional accreditor and has over 70 accredited and 6 preaccredited institutions and programs located in 34 states. The agency also conducts accrediting activities outside of its scope of recognition in that it has extended accreditation to 18 institutions in Canada. The Secretary's recognition of the agency enables its accredited institutions to seek eligibility to participate in student financial assistance programs administered by the Department of Education under Title IV of the Higher Education Act of 1965, as amended. Consequently, the agency must meet the separate and independent requirements established in the regulations.

Recognition History

The COA of the ABHE appeared on the first list of recognized accrediting agencies in 1952. The agency has been periodically reviewed and continued recognition has been granted after each review.

The COA of the ABHE was last reviewed for continued recognition at the Fall 2006 National Advisory Committee on Institutional Quality and Integrity (NACIQI or Committee) meeting. At that meeting, the agency also requested an expansion of its scope of recognition to include distance education, master's and doctoral degrees, and programmatic accreditation. At that time, the Committee recommended and the Secretary concurred that the agency's recognition be renewed for five-years and that it submit an interim report addressing numerous issues identified in the staff analysis. The Secretary also recommended deferring a decision on including distance education, master's and doctoral degrees, and programmatic accreditation in the agency's scope of recognition until such time the agency can demonstrate it has and applies clear and comprehensive written policies, procedures, and interpretive criteria for these areas in its accreditation processes. The interim report and request for an expansion of scope to include distance education was reviewed during the December 2007 meeting of the Committee. The Secretary accepted the interim report and granted the agency an expansion of scope.

The Department received a complaint via the Department's Office of Inspector General in December 2011. The agency provided information and documentation in response to a written request in January 2012. The review of the complaint, to include the review of the information and documentation provided by the agency, are included within this analysis.

In conjunction with the current review of the agency's renewal petition and supporting documentation, Department staff conducted an observation of an on-site review in October 2011 and a commission meeting in February 2012.

PART II: SUMMARY OF FINDINGS

§602.14 Purpose and organization

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

The Secretary recognizes...

(1) An accrediting agency

- (i) Has a voluntary membership of institutions of higher education;**
- (ii) Has as a principal purpose the accrediting of institutions of higher education and that accreditation is a required element in enabling those institutions to participate in HEA programs; and**
- (iii) Satisfies the "separate and independent" requirements in paragraph (b) of this section.**

(2) An accrediting agency

- (i) Has a voluntary membership; and**
- (ii) Has as its principal purpose the accrediting of higher education programs, or higher education programs and institutions of higher education, and that accreditation is a required element in enabling those entities to participate in non-HEA Federal programs.**

(3) An accrediting agency for purposes of determining eligibility for Title IV, HEA programs--

- (i) Either has a voluntary membership of individuals participating in a profession or has as its principal purpose the accrediting of programs within institutions that are accredited by a nationally recognized accrediting agency; and**
- (ii) Either satisfies the "separate and independent" requirements in paragraph (b) of this section or obtains a waiver of those requirements under paragraphs (d) and (e) of this section.**

(4) A State agency

- (i) Has as a principal purpose the accrediting of institutions of higher education, higher education programs, or both; and**
- (ii) The Secretary listed as a nationally recognized accrediting agency on or before October 1, 1991 and has recognized continuously since that date.**

The agency is recognized under 602.14(a)(1). The agency has, as a principal purpose, the accrediting of institutions of higher education and that accreditation is a required element in enabling those institutions to participate in Title IV, HEA programs.

The ABHE's constitution states that the Commission on Accreditation (COA) is a separate and independent division of ABHE, however it has not demonstrated that it meets the separate and independent requirements of this section.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it meets the separate and independent requirements below (Section 602.14 (b)).

Analyst Remarks to Response:

The agency has not demonstrated that it meets the separate and independent requirements (Section 602.14(b)) as required by this section.

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

- (1) The members of the agency's decision-making body--who decide the accreditation or preaccreditation status of institutions or programs, establish the agency's accreditation policies, or both--are not elected or selected by the board or chief executive officer of any related, associated, or affiliated trade association or membership organization;**
- (2) At least one member of the agency's decision-making body is a representative of the public, and at least one-seventh of that body consists of representatives of the public;**
- (3) The agency has established and implemented guidelines for each member of the decision-making body to avoid conflicts of interest in making decisions;**
- (4) The agency's dues are paid separately from any dues paid to any related, associated, or affiliated trade association or membership organization; and**
- (5) The agency develops and determines its own budget, with no review by or consultation with any other entity or organization.**

(1) COA's commissioner nomination, election and selection process is outlined in the agency's constitution and bylaws. Commissioners are elected by the agency's membership from a slate prepared by a nominating committee for accredited members or selected by the commissioners themselves for public members (in two separate processes). However, Department staff is concerned that the agency's policy on public representatives, included on page 119 of its manual, states that public representatives "can be terminated by the unanimous

vote of the executive committee (ABHE Board of Directors and the COA Commission Officers),” which indicates ABHE Board influence over who serves on the agency’s decision-making body.

Department staff observed the agency’s process at the February 2012 commission meeting. The agency appeared to follow its process; however, there was one irregularity noted. Specifically, the commission chair was running unopposed as a current commissioner eligible for re-election, and although it was assumed that the commission chair would be re-elected by the membership, this action would not occur until later in the week. However, the commission itself re-elected the commission chair to that position for another year. Although the selection process is not at issue, it is a procedural issue for the commission executive board elections.

Although not mentioned in the narrative, the agency's appeals policy (excerpted in Section 602.25(f)) describes that the pool for the appeals panel (another decision-making body) is filled by recommendations of the Director of the COA to the commission and evaluated by the commission on an annual basis.

(2) COA's bylaws require three public representatives on the 15-member commission thus meeting the 1:7 ratio required by the criterion. Although not mentioned in the narrative, the agency's appeals policy (excerpted in Section 602.25(f)) states that at least one public representative is required on the seven-person appeals panel for institutional accreditation actions. Therefore, the agency has not demonstrated that an appeals panel, convened for reasons other than institutional accreditation actions (e.g. appeals of decisions regarding programmatic accreditation), would include the required public representation.

The agency's definition of a public representative ensures that public representatives meet the definition of a public representative as defined by the Secretary's Criteria for Recognition.

(3) The agency addresses conflicts of interest regarding review assignments for commissioners within its reader assignment policy. It also provides a generic conflict of interest statement concerning decision-making within its ethical practices policy. However, besides the generic statement and the commissioner review assignment policy, the agency does not demonstrate that it has established guidelines for each member of its decision-making bodies (commission and appeals panel) to avoid conflicts of interest in making decisions.

As documentation, the agency provided commission meeting minutes that reflect the agency's use of recusals to guard against conflicts of interest. As discussed in Section 602.15(a)(6), it is not clear that recusals are used appropriately or reliably. The agency also provided signed documents titled "Team Evaluator Conflict of Interest Form" that the agency requires each on-site evaluator to sign as verification of his/her understanding of COA's definition of a conflict of interest; however the agency provided no evidence of the application of this or

any other effective mechanism for its commission and appeals panel members. Therefore, the agency has not demonstrated that it has implemented guidelines for each member of its decision-making bodies (commission and appeals panel) to avoid conflicts of interest in making decisions.

(4) Dues are paid directly to the COA, not ABHE. The agency stated that a staff member serves as the bookkeeper for the COA to further maintain separation from ABHE. The agency provided its fee schedule and an invoice related to the separate and independent dues collection process. No other association or organization is involved.

(5) The agency develops its own budget independent of any other party, including ABHE. According to its policy, the budget is developed by the Director of the COA and reviewed by the commission officers. The Director of the COA makes any changes submitted by the commission officers, and the budget is reviewed annually by the full commission. The agency provided the 2011-2012 budget. Department staff observed the approval of the 2012-2013 budget at the February 2012 commission meeting, but did not observe any of the budget preparation process.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that any appeals panel convened would include a representative of the public. The agency must also demonstrate that it has established and implemented guidelines for each member of its decision-making bodies (commission and appeals panel) to avoid conflicts of interest in making decisions.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency revised its policy on public representatives to demonstrate that it has eliminated ABHE Board influence over who serves on the agency's decision-making body (COA).

The agency has also decided to forego its proposed expansion of scope. Therefore, the issue raised in the draft staff analysis concerning public representation on the appeals panel for programmatic accreditation actions is no longer applicable to the agency's petition.

The agency did not address the issue raised in the draft staff analysis regarding established and implemented guidelines for each member of its decision-making bodies (commission and appeals panel) to avoid conflicts of interest in making decisions.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it has established and implemented guidelines for each member of its decision-making bodies (commission and appeals panel) to avoid conflicts of interest in making decisions.

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

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

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

NOTE: An agency must respond to this section only if it is required to meet the "separate and independent" requirement and there is some type of joint use of personnel, services, equipment, or facilities by the accrediting agency and a related, associated, or affiliated trade association or membership organization)

The agency is declaring joint use of personnel, services, equipment, and facilities with ABHE. The agency's budget and audited financial statements (in Section 602.15(a)(1)) demonstrates that the COA determines and pays fair market value for its proportionate share of personnel, services, equipment, and facilities to ABHE.

The agency also provided information and documentation to describe how the joint use of personnel, services, equipment, and facilities with ABHE does not compromise the independence and confidentiality of the accreditation process. The agency stated that the ABHE staff who support the COA are bound by the agency's statement on confidentiality; however the agency did not provide any documentation to demonstrate that ABHE staff is aware of the confidentiality statement and the need to adhere to it.

The agency stated that the Director of the COA is responsible for the independence of the accreditation process and to ensure the confidentiality of records. Department staff noted that the Director is hired by and reports to the President of ABHE (per the agency's bylaws included in Section 602.14(a)), and the agency provided no information or documentation as to any safeguards in place to ensure that this supervisory relationship does not compromise the independence and confidentiality of the accreditation process. In addition, the agency provided a focused on-site evaluation report (attached as "ABHE Focused On-site Evaluation Report") which included the ABHE President as a team member, in the materials provided by the agency in response to a complaint received by the Department. (In Section 602.24(b), the agency provided an on-site evaluation report which included the ABHE Vice President as a team member.) The agency also indicated in Section 602.15(a)(1) that the

ABHE President "is available to consult with and support the Commission and its staff when called upon." The close relationship between the ABHE President and the COA and the use of other ABHE staff members for COA accreditation activities calls into question the ability of the COA to conduct its accreditation activities in a manner that does not compromise the independence and confidentiality of the process.

During the February 2012 commission meeting, Department staff observed that the Director of the COA did not know until recently that the indemnification policy held by ABHE did not cover the COA and its commissioners, and in fact specifically excluded them. This erroneous assumption on the part of the Director of the COA raises an additional concern regarding the extent of the COA's understanding of the joint use of services with the ABHE and the potential compromise of the COA's independence and ability to conduct all of its accreditation activities.

Staff determination: The agency does not meet the requirements of this section. It must provide documentation to demonstrate that the joint use of personnel, services, equipment, and facilities with ABHE does not compromise the independence and confidentiality of the COA accreditation process.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency revised its employee handbook and implemented a confidentiality certification process for all ABHE employees relative to the independence and confidentiality of the COA's accreditation process. The agency provided its revised employee confidentiality policy and documentation, in the form of signed confidentiality statements, to demonstrate compliance by ABHE employees.

The agency revised the position descriptions of President of ABHE and the Director of the COA to provide safeguards to ensure that the relationship between the positions does not compromise the independence and confidentiality of the accreditation process. The agency also provided proposed changes to ABHE's bylaws, which would provide further safeguards by providing primary authority for employing and supervising the Director of the COA with the commission itself. As amendments to the bylaws can only occur at a delegate assembly meeting, formal adoption cannot occur until February 2013. Therefore, the agency has not demonstrated implementation.

The agency provided documentation that the ABHE has acquired an indemnification policy that now covers the COA and its commissioners.

Staff determination: The agency does not meet the requirements of this section. It must provide documentation of the adoption of the proposed bylaws amendments to demonstrate that joint use of personnel with ABHE does not compromise the independence and confidentiality of the COA accreditation process.

§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--

(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;

Commissioners: The 15-person commission is both the policy- and decision-making body of the agency. The agency's bylaws state that 12 commissioners are from member institutions and that three members are representative of the public - one of which is also a practitioner. There is no further definition of the qualifications to ensure that the commission includes academicians, administrators, educators, and practitioners. Although the agency indicated that a significant percentage of the commissioners hold graduate degrees and/or have experience at an institution which offers graduate level programs, the agency has not described how its commission includes expertise in the review and evaluation of programs at the graduate level (master's, first professional, and doctoral). The agency also did not provide any information or documentation to demonstrate that the commission includes expertise in the review and evaluation for programmatic accreditation.

The information provided demonstrates that the commission includes individuals experienced in distance education. Although the agency indicated that all the commissioners completed online training regarding the review of distance education programs, the agency did not provide documentation regarding the training program - with the exception of a few of the policies and guidelines covered, nor documentation to demonstrate that commissioners completed the program. In addition, the agency did not demonstrate that it provides training to commissioners regarding their role and responsibilities, as well as the standards, policies, and procedures of the agency. The agency also has not demonstrated that its commissioners are specifically trained on their responsibilities regarding programmatic accreditation and graduate degree programs.

Appeals panel members: The agency's appeals policy and procedures includes general information on the appeals process and qualifications, selection, and training of appeals panel members; however the agency did not provide any documentation to demonstrate the qualifications, selection, and training of

appeals panel members.

Evaluators: Although the agency included its pool of evaluators, the agency did not provide a list of minimum or required qualifications for evaluators, nor how it requests information from evaluators concerning their education, experience and other qualifying factors, specifically with regards to reviewers for graduate degree programs, distance education, and programmatic accreditation. Based on the information and documentation provided, the agency has not demonstrated that education and/or experience as an administrator, academician, educator or practitioner is required, nor that proper representation (to include distance education) is assured on each evaluation.

The agency stated that it provides comprehensive training to evaluators regarding their role and responsibilities, as well as the standards, policies, and procedures of the agency. This training is accomplished through attendance at evaluator training workshops, online training course for distance education, mentoring, and a team briefing at each on-site evaluation; however the agency did not provide documentation of the training. In October 2011, Department staff observed the comprehensive orientation and training provided by the team chair prior to beginning an on-site evaluation. Even though the agency provided some documentation of evaluator training, the agency has not demonstrated that its evaluators are specifically trained on their responsibilities regarding graduate degree programs and the review of programs for accreditation.

Department staff notes that the agency asserts that its commissioners, evaluators, and membership are qualified due to the fact that a significant number of the institutions accredited by the COA are also accredited by agencies recognized by the Department to include graduate level programs. The institutional or programmatic accreditation by an agency recognized for its accreditation at the graduate degree level does not alone demonstrate competence, knowledge, experience, or education for individuals associated with the COA, nor transfer that level of qualification to the COA by virtue of association.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that its commissioners, appeals panel members, and evaluators are qualified and trained on their responsibilities, as required by this section.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency provided information and documentation to demonstrate that commissioners are qualified and trained for their role. Specifically, the agency revised its commission nominating committee policy to ensure both academic and administrative representation, which is reflected in the current commission membership. The agency also provided proposed changes to ABHE's bylaws, which would require the commission to include both academicians and administrators. As amendments to the bylaws can only occur at a delegate assembly meeting, formal adoption cannot occur

until February 2013.

In regards to commissioner training, the agency demonstrated that it provides training to commissioners regarding their role and responsibilities, as well as the standards, policies, and procedures of the agency. As indicated in the narrative and documentation, this training is accomplished through an orientation training session, on-going training with COA staff, and review of the agency's manual and handbook. The agency indicated that three commissioners have completed the agency's specific training on its standards and expectations for distance education programs, and that those commissioners contribute to the annual training for all commissioners, which includes a distance education overview and updates.

With respect to the appeals panel, the agency revised its appeals policy and procedures to ensure both academic and administrative representation, which is reflected in the current appeals panel pool. The revised appeals policy states that "Members of the ABHE staff shall not be eligible for service on an appeal panel," however Department staff noted that three individuals included in the appeals panel pool serve as adjunct consultants for the COA. Therefore, the agency has not demonstrated that it follows its own policies concerning the selection of appeals panel members.

In addition, the agency did not provide any information or documentation to demonstrate that appeals panel members are trained by the agency on their responsibilities.

The agency revised its policy on the composition of evaluation teams to ensure both academic and administrative representation, which is reflected in the current evaluator pool. The evaluator team handbook includes a list of minimum qualifications, which include specific credentials and professional experience, for each category of evaluators.

With regards to distance education, the agency states that it specifically assigns experienced evaluators to review institutions with programs offered via distance education, and describes the qualifications required to be a distance education evaluator within the evaluator team handbook. The agency provides specific training to evaluators on its standards and expectations for distance education programs. The agency provided information and documentation concerning specific distance education training that is optional for evaluators, as well as the spring 2012 evaluation schedule which reflects evaluators who attended the training are scheduled to review institutions with programs offered via distance education.

Based on a review of the spring 2012 evaluation schedule, Department staff noted that two individuals scheduled as evaluators also serve as adjunct consultants for the COA, and that one individual scheduled for two evaluations serves as a commissioner. The revised policy on the composition of evaluation teams states that "Persons currently serving on the Commission on Accreditation or the ABHE staff shall not be eligible for service as a member of

an evaluation team." Therefore, the agency has not demonstrated that it follows its own policies concerning the selection of evaluators.

The agency has also decided to forego its proposed expansion of scope. Therefore, the issues raised in the draft staff analysis concerning commissioner and evaluator qualifications and training to support the proposed expansion of scope are no longer applicable to the agency's petition.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that its appeals panel members are trained on their responsibilities. The agency must also demonstrate that it follows its policies for the selection of appeals panel members and evaluators.

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

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

Although the agency states that it meets this section of the Secretary's Criteria for Recognition, it has not provided sufficient information or documentation to demonstrate compliance. The agency has identified several policies and procedures that it uses to control against conflict of interest. However, these policies and procedures are limited, general, and do not provide for the comprehensive control against conflicts of interest for all entities required by this section, and based on documentation, prove to be ineffective.

For example, the ethical practices policy includes an embedded general statement that the COA will ensure "an absence of conflicts of interest within decision-making bodies," without including any examples of conflicts of interest that are commonly encountered. In addition, the team composition policy (and the "Team Evaluator Conflict of Interest Form") includes four commonly encountered conflicts of interest. The policy related to commission reader assignment includes one addition to the same four commonly encountered conflicts of interest for evaluators. The statement of those specific conflict scenarios appears to limit the possible conflict scenarios to those and does not provide for the possibility of other applicable conflicts of interest.

Although the agency indicates that the policy related to Department regulations is applicable to all the entities included in this section, it only includes one possible conflict of interest scenario regarding involvement in accreditation

decision-making, which would only be applicable to commissioners and appeals panel members in any case. Therefore, the agency did not address the requirement that it have and apply clear and effective controls against conflicts of interest or the appearance of conflicts of interest for consultants, staff members, and other agency representatives.

The agency indicated that it provides training to decision-makers and evaluators on conflicts of interest, but the agency did not provide documentation of that training, nor did it provide any information or documentation concerning the training on conflicts of interest for consultants, staff members, and other agency representatives.

For other documentation, the agency provided a sample of signed "Team Evaluator Conflict of Interest Forms" that the agency requires each on-site evaluator to sign as verification of his/her understanding of COA's definition of a conflict of interest. The agency also provided documentation that the agency provides and institutions use their right to review evaluators on the basis of a conflict of interest.

In addition, the agency provided commission meeting minutes that reflect the agency's use of recusals. However, it is not clear that recusals are used appropriately or reliably. Department staff observed the February 2012 commission meeting, which included the use of recusal. However, the request for the identification of recusal by commissioners was made after the discussion, deliberation and decision, in which commissioners who identified themselves as "recused" later actually participated. Also, the agency provided commission meeting minutes (attached as "Commission Meeting Minutes - IRUS") in the materials provided by the agency in response to a complaint received by the Department. The minutes for the February 2010 meeting state in the narrative that one commissioner recused himself, but then where the motion is recorded it states "no recusals from those present".

An additional and more serious question concerning the effectiveness of the agency's conflict of interest controls is raised by an issue in the same attached minutes. Specifically, the minutes include information that a commissioner received a "thank you gift" of \$3000 for assistance in developing a response to a show cause order. Of particular concern is the appearance that the commissioner thought this action was permissible, as long as he recused himself from the discussion. This breach of a commonly-defined conflict of interest in the accreditation community calls into question the integrity of the agency, especially since no additional information or documentation addressing this situation - to include how to avoid the situation in the future - were provided.

In other documentation, it is not clear that the agency's policies and procedures provide for the comprehensive control against conflicts of interest.

1. As stated in Section 602.14(c), Department staff noted that the Director is hired by and reports to the President of ABHE, and the agency provided no information or documentation as to any controls in place to ensure that this

supervisory relationship is not a conflict of interest with regard to the independence of the COA from ABHE oversight.

2. The agency provided a sample on-site evaluation team roster for an evaluation of a program seeking programmatic accreditation in 2010 (in Section 602.15(a)(4)). The on-site evaluation team included a practitioner, who is currently and was, at the time of the evaluation, a commissioner. The programmatic accreditation procedures specifically state that "At least one team member will be a practitioner related to the fields of study covered by the programs to be examined, but who does not have a formal position with any ABHE institution" (#7 on page 91 of the agency's manual).

3. The evaluator pool (included in Section 602.15(a)(2)) also includes nine current commissioners. The use of current commissioners as on-site evaluators is a commonly-defined conflict of interest in the accreditation community, even if the commissioner recuses him/herself from the review.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it has and how it effectively applies clear and effective controls against conflicts of interest for all entities identified under the requirements of this section.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency revised its conflict of interest policy. The policy clearly states that it is applicable to all entities listed in this section. It also includes an allowance for conflicts of interest not included in the list of common examples, and more specific guidance concerning the procedures for implementing the policy to control against real or perceived conflicts of interest.

The agency also developed conflict of interest forms that all of its commissioners, appeals panel members, consultants, and evaluators are required to sign to demonstrate that they are aware of the agency's conflict of interest policy. The agency provided blank forms which is not sufficient evidence of its application of the document as an effective control against conflict of interest for those entities. In addition, the agency did not address the requirement that it have and apply clear and effective controls against conflicts of interest or the appearance of conflicts of interest for staff members.

In its response, the agency provided additional information and supporting documentation concerning the conflict of interest noted in the draft staff analysis. Specifically, the agency provided documentation to demonstrate that it immediately addressed the conflict and the actions taken, to include the resignation of the commissioner involved.

The agency provided documentation of its conflicts of interest training for commissioners, which it indicated was developed specifically in response to the conflict of interest noted in the draft staff analysis. The documentation of the training provided is limited and does not reflect implementation of the recently revised conflicts of interest policy. In addition, the agency did not provide any

information or documentation concerning the training on conflicts of interest for appeals panel member, evaluators, consultants, staff members, and other agency representatives.

Although the agency provided its new policy with regard to recusals of commissioners, the agency has not demonstrated that the new policy has been implemented and is effective at controlling against real or perceived conflicts of interest.

As discussed in Section 602.14(c), the agency revised the position descriptions of President of ABHE and the Director of the COA to provide safeguards to ensure that the relationship between the positions does not compromise the independence and confidentiality of the accreditation process. The agency also provided proposed changes to ABHE's bylaws, which would provide further safeguards by providing primary authority for employing and supervising the Director of the COA with the commission itself. As amendments to the bylaws can only occur at a delegate assembly meeting, formal adoption cannot occur until February 2013. The agency has demonstrated that controls are now in place to protect against conflicts of interest with regard to the independence of the COA from ABHE oversight.

In Section 602.15(a)(2), Department staff noted that three individuals included in the appeals panel pool and two individuals scheduled as evaluators on the spring 2012 evaluation schedule also serve as adjunct consultants for the COA. The spring 2012 evaluation schedule also includes one commissioner on two on-site teams. Therefore, the agency has not demonstrated that it follows its own policies and procedures for evaluator and appeals panel member selection, and therefore, has effective policies to address conflicts of interest regarding evaluators and appeals panel members.

Staff determination: The agency does not meet the requirements of this section. It must provide documentation of implementation of its revised conflict of interest policy for all entities included in this section. The agency must also demonstrate how it informs all of the entities included in this section of the conflict on interest policy and its applicability. It must also demonstrate that it follows its policies and procedures concerning the selection of evaluators and appeals panel members.

§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.

The agency has clear expectations regarding student achievement in relation to the institution's or program's mission, which are contained within #2 of the agency's Comprehensive Integrated Standards and #2 of the Programmatic Accreditation Standards. Each standard includes essential elements that provide more specific guidance with regard to expectations in that area.

The agency's evaluation process requires that each institution and program must include both qualitative and quantitative student evaluation based on objectives and mission through the use of an outcomes assessment plan. The agency's guide for the preparation of self-studies provide guidance to institutions and programs on what types of data and documentation may be included when developing their own outcomes assessment plans, to include the review of standardized tests, portfolios, pre- and post-tests, capstone courses, licensure results, graduate school admission and performance data, alumni surveys, job placement records, retention and completion rates and grade distribution reports. In addition to that guidance, the agency also provides a model outcomes framework, which includes assessment instruments, outcomes characteristics, and an outcomes evaluation rubric, to assist in the development of outcomes common across institutions of biblical higher education.

The institution or program submits its most recent outcomes assessment plan with its self-study and makes the plan available on-site for verification by the evaluation team. That data is then examined and evaluated by the evaluators to assess the institution's or program's compliance with the agency's achievement standards. The agency's evaluation team handbook and worksheets provide evaluators with the guidance on how to evaluate self-studies to determine compliance with its standards with respect to student achievement. The agency provided self-studies and on-site evaluation team reports; however those reports do not demonstrate that the on-site teams made a judgment about the appropriateness of the measures of student achievement chosen by the institution or program or rigor of the goals established by the institution or program. In addition, the agency did not provide any information or documentation to demonstrate that the commission assesses compliance with the student achievement standards.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it evaluates the appropriateness of the measures of student achievement chosen by its institutions and programs. The agency must also provide documentation that the commission assesses the compliance of institutions and programs with the agency's student achievement standards.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency has revised its process for the review of reports - both those submitted by institutions and by the on-site evaluation teams. Specifically, the agency now requires all self-study reports and evaluation team reports to be reviewed by agency staff and evaluation team chairs, if applicable, to ensure that they "address each and every one of the USDE Title IV eligibility-related requirements listed in Appendix I of the ABHE Evaluation Team Handbook." However, this new review process does not address the issue raised in the draft staff analysis. The agency did not provide documentation, in the form of on-site evaluation team reports or other relevant documentation, that the teams made a judgment about the appropriateness of the measures of student achievement chosen or rigor of the goals established by the institution.

The agency also provided revised "range of motion" language to indicate the commission's explicit judgment regarding an institution's compliance with the agency's student achievement standards. However, this new motion language does not address the issue raised in the draft staff analysis. The agency did not provide documentation, in the form of commission action letters or meeting minutes or other relevant documentation, that the commission assesses compliance with the agency's student achievement standards.

Based on the documentation provided previously, it appears that the agency's current measure of success with regard to student achievement is the institution's engagement in the process of developing an outcomes assessment plan. But, even though the agency provided documentation that institutions are developing outcomes assessment plans and that the agency and evaluators are reviewing the plans, it has not provided clear information and documentation demonstrating that the agency evaluates the sufficiency of the institutional assessment/improvement activities. The agency needs to provide additional information and documentation to demonstrate that its on-site evaluation teams and commission assess compliance with the student achievement standards.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it evaluates the appropriateness of the measures of student achievement chosen by its institutions, and that it assesses the compliance of institutions with its student achievement standards.

(a)(1)(ix) Record of student complaints received by, or available to, the agency.

The agency has clear expectations regarding student complaints in #8 of the agency's Comprehensive Integrated Standards and #6 of the Programmatic Accreditation Standards. Each standard includes essential elements that provide more specific guidance regarding the expectations for student complaints of an institution or program to accomplish its mission and meet its responsibilities to students.

The standards are sufficiently specific and require an institution or program to publish procedures for addressing student complaints and grievances. Institutions and programs are also required to maintain a written record of all complaints and their disposition.

In addition to the standards and essential elements, the agency's guide for the preparation of self-studies provides further guidance to institutions and programs in regards to student complaints. The self-study addresses student complaints and requires supporting documentation.

The agency's evaluation teams review the self-study and examine the student complaints of each institution or program. The agency's evaluation team handbook and worksheets provide evaluators with the guidance on how to evaluate self-studies to determine compliance with its standards with respect to student complaints. The agency provided self-studies and on-site evaluation team reports; however there is no information included within the evaluation team reports to demonstrate that the agency evaluates student complaints in conjunction with the agency's standards. More specifically, one of the evaluation team reports does not mention a review of the student complaint process and the other one only states that the institution has a student complaint process, but does not state if the evaluation team reviewed the complaints, and any resolution, in conjunction with the overall review of the institution.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it evaluates an institution's or program's process for handling student complaints and its record of student complaints in conjunction with the agency's standards and the overall review of the quality of an institution or program.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency provided examples of review by evaluation teams in this area. Specifically, the agency provided 14 excerpts of evaluation team reports that indicated that the team noted that there was a complaint or grievance policy noted. However, only three of the reports noted that the evaluation team reviewed (or attempted to review) any complaints on file, and none of them demonstrated that the evaluation team reviewed the complaints on file in context of the overall review of the institution.

The agency also provided a revised evaluator worksheet to require comment by evaluation team members on an institution's complaint policy. The agency did not provide documentation of implementation of the worksheet to demonstrate

that evaluation teams consistently determine compliance with its standards with respect to student complaints.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it evaluates an institution's record of student complaints in conjunction with the agency's standards and overall review of the quality of an institution.

§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--

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

The agency's bylaws (in Section 602.11) and manual provide its written policies and procedures with regard to the on-site review of each institution and program.

The agency provided the size and composition of the evaluation teams for the institution or program reviewed. Although the composition of an evaluation team to an institution appears to be comprehensive, the composition of an evaluation team to a program under review includes academic and administrative personnel and does not appear to include educators and practitioners, as required.

The agency indicated specifically that evaluators from institutions or programs that offer graduate education would be included as evaluators on teams to institutions or programs that offer graduate education; however that policy is not included in the team composition guidelines. In addition, the guidelines do not include information on the composition of an evaluation team to an institution or program that offers programs via distance education. The agency also did not provide documentation to demonstrate that an evaluation team to an institution or program that offers programs via distance education or graduate level degree education included individuals experienced and trained in those areas.

The agency also indicated that it would "share" evaluation team members should it conduct a joint accreditation review with another agency; however the agency did not provide information on how the evaluators would be shared or how that arrangement would ensure that the evaluation team could determine that the institution or program complies with the COA's standards. In addition, Department staff observed at the February 2012 meeting that the COA does not always provide its own evaluation team report, but will use the report provided by the agency conducting the joint review. Based on the use of another agency's report, it is not clear how the agency ensures that the institution or program is

reviewed against all of the COA's standards. (See attachment "Joint Agency On-Site Review Report".)

Although not explicitly defined, the duration of the on-site reviews (as stated in Section 602.18(d)) is reasonable for the size and type of institution or program to be comprehensive, as demonstrated in the evaluation team reports provided.

The evaluation team reviews and verifies the information included within the institution's or program's self-study, using agency worksheets to guide their review. The evaluation team drafts a written report that includes the team's determination concerning the institution's or program's compliance with agency standards. The evaluation team reports provided by the agency verify the agency conducts at least one comprehensive on-site review of an institution or program before reaching a decision regarding accreditation or preaccreditation.

Department staff observed an on-site evaluation to an institution in October 2011. The on-site evaluation included a comprehensive orientation and training provided by the team chair prior to beginning an on-site evaluation. The evaluators met the composition required by the regulations and the agency's policies. The institution under review offered both graduate level programs (master's) as well as programs via distance education; however there was no indication any evaluator was specifically assigned to review either of those specialties, nor how those specialties were comprehensively reviewed by the team.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that the composition of an evaluation team is comprehensive considering the type of institution or program, and/or specific types or modes of programs offered. The agency must also demonstrate that any shared review with another accrediting agency would obtain sufficient information to determine compliance with the COA's standards.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency revised its evaluation team procedures to specifically require an evaluator with the experience and training to review distance education programs to be a member of a team assigned to review such an institution. The agency also provided its spring 2012 evaluation schedule which reflects experienced and trained evaluators scheduled to review institutions with programs offered via distance education.

The agency provided additional information and documentation regarding the evaluation team composition of the only joint accreditation review within the previous five years to demonstrate that the team was able to determine that the institution complied with the COA's standards. The agency also provided the other accrediting agency's evaluation team report to demonstrate that the institution was reviewed against all of the COA's standards. However, the agency did not provide any information or documentation to demonstrate that it has policies and procedures in place to ensure the appropriate evaluation team

composition and comprehensive on-site review using the COA's standards for future joint accreditation reviews.

The agency has also decided to forego its proposed expansion of scope. Therefore, the issues raised in the draft staff analysis regarding the composition of evaluation teams for programmatic accreditation or graduate level programs are no longer applicable to the agency's petition.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it has policies and procedures regarding joint accreditation reviews.

§602.19 Monitoring and reevaluation of accredited institutions and programs.

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

The agency indicates that it defines significant enrollment growth as over 50% for any institution. However, the agency did not provide any policy that defines significant enrollment growth for all institutions (not just for programs offered via distance education), nor does the narrative indicate that it monitors enrollment at the program level at institutions that have experienced significant growth.

The agency states that it receives enrollment data via the annual report. However, the agency did not provide an example annual report, and therefore could not demonstrate that it collects such enrollment data.

The agency provided documentation that four accredited or preaccredited institutions have experienced significant enrollment growth as defined by the agency. However, the agency did not provide any information or documentation to demonstrate how it monitors significant enrollment growth at those institutions. For example, there is no indication that the agency requires those institutions to address the impact of the growth on resources, retention, graduation, and placement.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it has a policy to monitor the growth of programs at institutions experiencing significant enrollment growth, as defined by the agency. The agency must also provide documentation that it collects enrollment data. It must also provide any information or documentation to demonstrate how it monitors the significant enrollment growth.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency developed new procedures to document the agency's previous practice in the review of its annual report. The procedures document includes the agency's definition of significant enrollment growth and indicates how it will monitor the enrollment of programs at institutions that have experienced significant growth.

The agency also provided its annual report form, both blank and completed (as documented in Section 602.19(b)), to document that each institution is required to submit headcount enrollment annually.

As noted in the draft staff analysis, the agency identified four institutions that experienced significant growth. The agency stated that it is aware of the need to monitor the significant enrollment growth and to ensure that institutions address the impact of the enrollment growth. Although the agency stated that the commission reviewed an institution that experienced significant growth, it did not provide any documentation of its review or of any other monitoring mechanism.

Staff determination: The agency does not meet the requirements of this section. It must provide documentation to demonstrate how it monitors significant enrollment growth.

§602.20 Enforcement of standards

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

(1) Immediately initiate adverse action against the institution or program; or

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

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

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

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

This criterion requires that an agency either initiate immediate adverse action or allow an institution or program a timeframe to come into compliance with its standards and requirements. The agency has a written policy that meets the requirements of this section, except for the definition of an adverse action. The policy states that an adverse action "**should**" [emphasis added] be defined to mean denial, withdrawal, suspension, revocation, or termination of accreditation

or pre-accreditation;" however the regulations require that definition.

The agency provided an example of a commission action letter of probation (citing the specific time period to return to compliance) and one for withdrawal. The agency also provided the commission meeting minutes where the actions for those institutions were taken. However, as the examples provided did not include the full cycle of the review (i.e. first determination that the institution was out of compliance to final action), the agency has not demonstrated that it enforces the required time period.

Also in the narrative of Section 602.20(b), the agency indicates that an institution could be determined out of compliance and placed on a non-public sanction (warning). (Within the COA Handbook excerpt attached in Section 602.20(b), the agency states that "Warning is an indication to the institution that it is in jeopardy of being placed on probation.") If the institution failed to demonstrate compliance at the end of the sanction period (usually a year), the institution could be placed on probation, for a period of up to two years. At the end of the probation period, if the institution still failed to demonstrate compliance, the commission would either issue a show cause order to the institution or take an adverse action. (The agency states that the issuance of a show cause order would be for a "compelling reason" and would be defined as a good cause extension.) However, the narrative scenario described does not appear to meet the timeframes required by this section. At the February 2012 commission meeting, Department staff observed an institution under review for reaccreditation that had the following compliance action history with the agency: 2006 - probation, 2007 - remove probation, warning, 2008 - continue warning, 2009 - probation, 2010 - probation, 2011 - remove probation, warning. (Attached as "Example Accreditation History".) In this example, the areas of non-compliance appear to be mainly the same from 2006 to the present, and the agency does not appear to be following its policies concerning the use of negative actions. Therefore, the agency has not demonstrated that it is enforcing the timeframes required by this section if it finds an institution out of compliance with any standard.

The agency did not provide any documentation demonstrating the application of this policy to accredited programs, nor did it indicate that it has not had occasion to apply it.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that its definition of adverse action meets the regulatory requirements. The agency must also demonstrate that it enforces the time period to return to compliance with the agency's standards. It must also demonstrate the application of the enforcement policy to accredited programs, or indicate it has not had the occasion to apply it.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency revised its adverse action definition to meet the regulatory definition. The agency also revised its definitions of both its "warning" and "probation" statuses to clearly distinguish between the two statuses and to clearly indicate the status of when an institution is out of compliance with one or more of the agency's standards.

The agency provided two examples of the full cycle of review to demonstrate that it enforces the timeframes required by this section if it finds an institution out of compliance with any standard. However, the agency did not address the egregious example noted within the draft staff analysis, nor indicate what mechanism it has in place to ensure such a situation is not duplicated in the future.

The agency has also decided to forego its proposed expansion of scope. Therefore, the issue raised in the draft staff analysis with regards to programmatic accreditation is no longer applicable to the agency's petition.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it consistently enforces the time period to return to compliance with the agency's standards.

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

The agency has a written policy (in Section 602.20(a)) that meets the requirements of this section. The agency provided three commission action letters for institutions placed on probation; however these letters do not demonstrate that the agency took an adverse action when an institution did not bring itself into compliance, nor that the agency abides by the time period, as required by its policy and this section.

In the narrative, the agency indicates that an institution could be determined out of compliance and placed on a non-public sanction (warning). If the institution failed to demonstrate compliance at the end of the sanction period (usually a year), the institution could be placed on probation, for a period of up to two years. At the end of the probation period, if the institution still failed to demonstrate compliance, the commission would either issue a show cause order to the institution or take an adverse action. The issuance of a show cause order would be for a "compelling reason" and would be defined as a good cause extension. However, the agency's written materials do not indicate if it has ever extended a time period for good cause nor make clear the potential circumstances under which a good cause extension would be granted. The Department expects that good cause extensions are granted infrequently and under exceptional circumstances.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it takes immediate adverse action within the required time period. The agency must also describe the circumstances under which a good cause extension would be granted.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency provided its revised policy concerning extensions for good cause. The policy now includes the potential circumstances under which a good cause extension would be considered, however it does not include the maximum length of any such extension. The agency also provided an example of an institution granted an extension for good cause.

The agency also provided documentation to demonstrate that it takes immediate adverse action within the required time period. Specifically, the agency provided an example of an institution that did not bring itself into compliance within the specified time period, and the immediate action taken by the commission.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that its policy concerning extensions for good cause includes a maximum length of such extension.

§602.21 Review of standards.

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

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

- (1) Is comprehensive;**
 - (2) Occurs at regular, yet reasonable, intervals or on an ongoing basis;**
 - (3) Examines each of the agency's standards and the standards as a whole; and**
 - (4) Involves all of the agency's relevant constituencies in the review and affords them a meaningful opportunity to provide input into the review.**
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The agency's systematic review and assessment of individual standards occurs continuously and as a whole every 10 years. Specifically, the commission's committee on criteria reviews at least one standard a year so that all standards are reviewed within a five-year period, in addition to the comprehensive review every 10 years. The adoption of the revised standards following the most-recent comprehensive review of the standards occurred in 2004. Although the agency provided documentation of the review of individual standards, it did not provide documentation of the process to review the standards as a whole (such as the task force membership and actions, the joint meeting membership and actions, the constituent survey, the review committee and actions, etc.).

The agency states that it solicits input from both internal and external constituencies when reviewing standards. The committee on criteria utilizes an analysis of evaluation team reports, constituent surveys, and questions and comments from the agency staff, commissioners, evaluators, accredited institutions and programs, and the public to review the adequacy of standards. Although the agency provided meeting minutes for the committee and sample comments from evaluators, it did not provide any other documentation concerning the materials reviewed, to evidence an opportunity for all constituencies to provide input.

The agency stated that a special task force was created to assist in the development of standards for graduate level degree programs. As stated in Section 602.12(b), this task force (comprised of academic officers of institutions accredited by an agency recognized for graduate level education) alone does not demonstrate that the standards developed for graduate level education are adequate to evaluate the quality of the education provided by the institutions and programs it accredits and relevant to the educational needs of students.

Staff determination: The agency does not meet the requirements of this section. The agency must provide documentation of its process to review its standards as a whole. It must also provide documentation of the opportunity for all constituencies to comment on the standards review process. The agency must also demonstrate that the standards developed for graduate level education are adequate to evaluate the quality of the education provided by the institutions and programs it accredits and relevant to the educational needs of students.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency provided additional documentation regarding the ongoing evaluation of individual standards. The documentation included a blank call for comment form on the website, and a summary of the comments received. This documentation is not sufficient evidence of the review of the standards as a whole. The agency provided the timeline and process followed for the comprehensive review of standards in 2006, but that information alone is not sufficient documentation of the process to review the standards as a whole.

Although the agency provided a letter in response to comments on proposed

standards in 2003, that letter alone is not sufficient documentation of the opportunity for all constituencies to provide input to the standards review process.

The agency has also decided to forego its proposed expansion of scope. Therefore, the issue raised in the draft staff analysis regarding graduate level degree programs is no longer applicable to the agency's petition.

Staff determination: The agency does not meet the requirements of this section. It must provide documentation of its process to review its standards as a whole. The agency must also provide documentation of the opportunity for all constituencies to comment on the standards review process.

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

- (1) Provide notice to all of the agency's relevant constituencies, and other parties who have made their interest known to the agency, of the changes the agency proposes to make;**
- (2) Give the constituencies and other interested parties adequate opportunity to comment on the proposed changes; and**
- (3) Take into account any comments on the proposed changes submitted timely by the relevant constituencies and by other interested parties.**

The agency's standard revision process, stated in this section and in Section 602.21(a)&(b), describes how it includes input of all constituencies when reviewing the validity of the standards. The agency's policies also require it to provide all relevant constituencies (accredited institutions, states, provinces, other recognized accrediting bodies, and the public) an opportunity to provide input on proposed standards revisions, however its relevant constituencies does not appear to include its accredited programs.

Although the agency described its standards review process, the agency provided extremely limited and/or incomplete documentation to support it (in this section and in Section 602.21(a)&(b)). The agency provided documentation that it solicited feedback via the agency's website for the three sections of the agency's standards under review and provided the summary of the comments received, however that limited documentation does not demonstrate that the agency sought and reviewed input from all of its relevant constituencies and by other interested parties. Specifically, the agency stated in Section 602.21(a)&(b) that during the review of the standards as a whole, the agency provided draft versions to recognized accrediting bodies, state, and provincial agencies for

review, as well as held regional hearings for accredited institutions and the public to comment on the proposed standards. The agency did not provide documentation of such activities to demonstrate its notification to its relevant constituencies and other interested parties of proposed standards changes, an opportunity to comment on the proposed changes, or any regard given to such comments submitted timely.

The agency's policies require that if the agency determines that it needs to make changes to its standards, the agency must initiate action within 12 months to make the changes and must complete that action within a reasonable period of time. However, the documentation was not comprehensive to include review and adoption by the commission to verify the standard review process and to support the agency's application of this requirement.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that its relevant constituencies include its accredited programs. The agency must also demonstrate that it notifies all of its relevant constituencies and other interested parties of proposed standards changes, provides an opportunity to comment on the proposed changes, and takes into account any comments on the proposed changes submitted timely. It must also document completion of any action to review and revise standards.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency again provided documentation of feedback solicited for three sections of the standards under review in 2012, and a letter in response to comments on proposed standards in 2003. However, that limited documentation does not address the concern stated in the draft staff analysis to demonstrate that the agency notifies all of its relevant constituencies and other interested parties of proposed standards changes, an opportunity to comment on the proposed changes, and any regard given to such comments submitted timely.

The agency did not provide documentation of the review and adoption of the revised standards by the commission.

The agency has also decided to forego its proposed expansion of scope. Therefore, the issue raised in the draft staff analysis regarding programmatic accreditation is no longer applicable to the agency's petition.

Staff determination: The agency does not meet the requirements of this section. It must provide demonstrate that it notifies all of its relevant constituencies and other interested parties of proposed standards changes, provides an opportunity to comment on the proposed changes, and takes into account any comments on the proposed changes submitted timely. The agency must also document completion of any action to review and revise standards.

§602.22 Substantive change.

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

The agency did not provide any evidence that it has policies or procedures that specify an effective date or prohibit it from making retroactive approvals of substantive changes. Although not included as documentation in this section, the agency's Policy on Substantive Change (in Section 602.22(a)) includes the language that the documentation provided by the institution must include "the effective date of the change (which cannot be retroactive)." However, the agency's policy and procedures do not specify an effective date, which is not retroactive, on which a substantive change is included in the institution's accreditation.

Although the agency provided, as example, an on-site evaluation report illustrating that it reviewed an institution after receiving notice of a change of ownership, the report alone does not provide sufficient evidence that the agency approved the specific change nor does it clearly specify an effective date nor demonstrate that maintenance of accreditation does not allow for making a retroactive approval of the substantive change.

Staff determination: The agency does not meet the requirements of this section. It must establish and demonstrate that it has policies and procedures in place to grant prior approval of a substantive change, and that the procedures specify an effective date, which is not retroactive, on which the change is included in the institution's accreditation.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency provided its revised substantive change policy that includes an effective date and prohibits retroactive approvals of substantive changes. Although the agency provided examples (in Section 602.22(a)) of substantive change reviews, those examples do not demonstrate implementation of this new policy, to include approvals with a specific effective date and that are not retroactive.

Staff determination: The agency does not meet the requirements of this section. It must provide documentation that it has implemented its substantive change policy with respect to approvals that include specific effective dates and that are not retroactive.

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

- (i) Has a total of three or fewer additional locations;**
 - (ii) Has not demonstrated, to the agency's satisfaction, that it has a proven record of effective educational oversight of additional locations; or**
 - (iii) Has been placed on warning, probation, or show cause by the agency or is subject to some limitation by the agency on its accreditation or preaccreditation status;**
-

As the agency is a Title IV gatekeeper, it must respond to this section, explaining and documenting, as appropriate, what it does that makes the agency believe that it either demonstrates compliance or the non-applicability of the criterion to the agency's process. The Department makes the ultimate determination if the agency meets the intent of this criterion or if the criterion is not applicable.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency provided its policies and procedures for the review and approval of additional locations. Although the policies require a site visit, the agency's policies require that visit to occur within three years, not within six months as required by this section.

The examples provided verify that the agency applies its policies and procedures for the review and approval of additional locations; however the examples do not demonstrate that the agency conducts that visit within six months of the establishment of the additional location.

Staff determination: The agency does not meet the requirements of this section. It must revise its policies and procedures to require a site visit within six months of the establishment of the additional location, as required by this section.

(c)(2) An effective mechanism for conducting, at reasonable intervals, visits to a representative sample of additional locations of institutions that operate more than three additional locations; and

As the agency is a Title IV gatekeeper, it must respond to this section, explaining and documenting, as appropriate, what it does that makes the agency believe that it either demonstrates compliance or the non-applicability of the criterion to the agency's process. The Department makes the ultimate determination if the agency meets the intent of this criterion or if the criterion is not applicable.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency provided its policies and procedures for the review and approval of additional locations. The agency's policy on alternative academic patterns includes the mechanism for conducting visits, at reasonable intervals, to a representative sample of additional locations of institutions that operate more than three additional locations. However, that mechanism appears to only be applicable to institutions that have been granted a pre-approval waiver, and does not address those institutions that operate more than three additional locations and which do not have the waiver.

The agency stated that since this is a new policy, it has not had the opportunity to implement it.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it has an effective mechanism for conducting, at reasonable intervals, visits to a representative sample of additional locations of all institutions that operate more than three additional locations.

§602.24 Additional procedures certain institutional accreditors must have.

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

(e) Transfer of credit policies.

The accrediting agency must confirm, as part of its review for initial accreditation or preaccreditation, or renewal of accreditation, that the institution has transfer of credit policies that--

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

(Note: This criterion requires an accrediting agency to confirm that an institution's teach-out policies are in conformance with 668.43 (a) (11). For your convenience, here is the text of 668.43(a) (11):

“A description of the transfer of credit policies established by the institution which must include a statement of the institution's current transfer of credit policies that includes, at a minimum –

- (i) Any established criteria the institution uses regarding the transfer of credit earned at another institution; and**
 - (ii) A list of institutions with which the institution has established an articulation agreement.”)**
-

The agency's standards include a transfer of credit policy that requires public disclosure. What is not clear is that the agency's standards and policies in this area require the public disclosure of any established criteria the institution or program uses regarding the transfer of credit earned at another institution or program or a list of institutions or programs with which it has established an articulation agreement.

The examples provided demonstrate that the agency evaluates its institutions regarding the public disclosure of its transfer of credit policy, but does not demonstrate that it requires the specific disclosures required by this section.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it requires the public disclosure of the transfer of credit policy elements required by this section, and demonstrate that it evaluates programs according to those required elements.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency amended Standard 7b, Essential Element 3 to clarify the requirements for an institution's transfer of credit policy. Specifically, the agency now clearly requires the public disclosure of any established criteria the institution uses regarding the transfer of credit earned at another institution and, if applicable, the list of institutions or programs with which the institution has established articulation agreements.

However, the agency did not provide documentation of dissemination of the new essential element to evaluators and institutions, nor any updated training materials for evaluators and institutions to reflect the new standard and expectations. In addition, the agency indicated that it has not had an opportunity to implement the new essential element, and therefore could not demonstrate that it evaluates its institutions regarding the public disclosure of its transfer of credit policy, the criteria established regarding the transfer of credit earned at another institution of higher education, and the list of institutions or programs with which the institution has established an articulation agreements.

Staff determination: The agency does not meet the requirements of this section. It must provide documentation to demonstrate implementation of the amended standard.

(3) The accrediting agency must take such actions that it deems appropriate to address any deficiencies that it identifies at an institution as part of its reviews and evaluations under paragraph (f)(1)(i) and (ii) of this section, as it does in relation to other deficiencies it may identify, subject to the requirements of this part.

The agency reviews the applicable standard in conjunction with a review for initial or renewal accreditation and an evaluation team report from an on-site evaluation. Although the agency provided documentation of an evaluation team report which includes a citation for this standard, the agency did not provide documentation of the institution's response in this area nor review of the information or action taken by the commission.

Staff determination: The agency does not meet the requirements of this section. It must provide documentation to demonstrate that the commission reviews and takes action on any deficiencies related to this section.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency provided information concerning the agency's expectations with regard to credit hour review and the training provided to evaluators and commissioners regarding this subject (included in Section 602.15(a)(2)). The agency also provided evaluative tools for use by evaluators in this area, as well as documentation of their use during an on-site evaluation.

The agency also indicated that any deficiencies noted in this area are addressed in the accreditation process prior to reaching the commission, and provided documentation of the review of deficiencies related to this section. However, the example (titled "Additional Location Report Sample") stated possible deficiencies, but did not clearly indicate any deficiencies. In addition, the example did not provide documentation of the institution's response to issues in this area nor action taken by the agency to address any issues or deficiencies.

Staff determination: The agency does not meet the requirements of this section. It must provide documentation to demonstrate that it takes action on any deficiencies related to this section.

(4) If, following the institutional review process under this paragraph (f), the agency finds systemic noncompliance with the agency's policies or significant noncompliance regarding one or more programs at the institution, the agency must promptly notify the Secretary.

The agency states that it will notify the Secretary when it finds systemic noncompliance with the agency's credit hour standards or significant noncompliance regarding an institution's program, however the agency did not provide any policies or procedures to require this notification. The agency also did not provide any examples to demonstrate notification to the Secretary in this situation, nor indicate that it has not had an opportunity to do so.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it has policies and procedures in place to notify the

Secretary when it finds systemic noncompliance with the agency's credit hour standards or significant noncompliance regarding an institution's programs. The agency must also provide an example to demonstrate policy implementation, or indicate that it has not had an opportunity to do so.

Analyst Remarks to Response:

In response to the draft staff analysis, the agency amended its institutional compliance policy to include the notification of the Secretary of an institution's systematic noncompliance with the agency's credit hour standards. However, this notification appears to be limited to those institutions participating in the Title IV funding program and this regulation is not limited in application. In addition, the notification is only related to systemic noncompliance with the agency's credit hour standards and does not address significant noncompliance regarding one or more programs at the institution. Therefore, the agency has not demonstrated that it has a policy or procedure that meets the requirements of this section.

The agency indicated that it has not found systemic noncompliance with its credit hour policies, and therefore, could not provide documentation of notification to the Secretary, as required by this section.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate that it has policies and procedures in place to promptly notify the Secretary when it finds systemic noncompliance with the agency's credit hour standards or significant noncompliance regarding one or more programs at the institution.

PART III: THIRD PARTY COMMENTS

The Department did not receive any written third-party comments regarding this agency.