

NACCAS 2012 POLICY CALL FOR COMMENT
COMPARISON OF PROPOSED CHANGES
TO STANDARDS, CRITERIA, RULES, APPENDICES AND BY-LAWS

General Notes on Changes:

1. More than one Proposal may relate to the same provision of NACCAS' Standards, Policies, Rules of Practice and Procedure, Appendices, By-Laws or Glossary.
2. Language to be deleted is overstruck (~~overstruck~~) and language to be added is in **bold, underlined** text.
3. Proposals adopted by Emergency Action precede Proposals not yet adopted by the Commission.
4. Any Proposal adopted under Emergency Action is given a Proposal Number with an "E". The effective date for each such Proposal is noted in the Call for Comment Survey document.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-1E

Proposal 2012-1E: The Commission proposes to eliminate Standard IV, Criterion 7.

Rationale: The Commission feels that NACCAS standards should be about educational quality, rather than monitoring the Department of Education's regulations.

PROPOSED REVISIONS

- ~~D 7. Before enrollment each applicant is provided access to written information that accurately reports the median loan debt (Title IV, if applicable and non Title IV) incurred by students who completed each program identified separately. The institution must meet one of the following:~~
- ~~a. Institutions participating in Title IV programs must provide the information in accordance with the most recent year as required by the U.S. Department of Education.~~
 - ~~b. Institutions not participating in Title IV programs must provide the information for the most recent NACCAS Annual Report year.~~

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PROPOSAL 2012-2E

Proposal 2012-2E: The Commission proposes amending Standard VII, Criterion 2.

Rationale: To more accurately describe what was being used to evaluate institutions

PROPOSED REVISIONS

D 2. The financial statements of the institution demonstrate that it has the financial resources to ensure continuity of operation, educational programs and services, and to fulfill its obligations to students and employees, by meeting the following requirements:

- a. Has met the requirements as set forth by the U.S. Department of Education in accordance with 34 C.F.R. 668.171, or the successor regulation, or
- b. A ratio of current assets to current liabilities of one to one or greater (~~acid test~~ **current ratio**); a positive tangible net worth; and a profit in the most recent accounting year or in two of the most recent three accounting years. Any assets of the institution that are excluded in the calculation of the composite score shall also be excluded by NACCAS in the calculation of the current ratio and net worth.

In accordance with Section 8.18 of the NACCAS *Rules of Practice and Procedure*, an institution is required to bring itself into compliance with accreditation requirements within the time frames established in the *Rules*.

In addition, the institution's financial statements:

- c. are audited by an independent Certified Public Accountant;
- d. are prepared on an accrual basis, and in accordance with Generally Accepted Accounting Principles (GAAP).

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PROPOSAL 2012-3E

Proposal 2012-3E: The Commission proposes to amend Policy VIII.01, the NACCAS Policy on Disasters.

Rationale: To make the Policy easier for institutions to follow, and more practical for the NACCAS office to implement.

PROPOSED REVISIONS

POLICY ON DISASTERS

Your institution may qualify for temporary relief from compliance with NACCAS standards and other accreditation requirements if it has been affected by floods, tornadoes, hurricanes, **fires**, wild fires, earthquakes, or other disaster, ~~and is located in a disaster area designated by the Federal Emergency Management Administration or the governor of the state in which it is located.~~

You must notify NACCAS immediately if:

1. The school or a significant part of its facilities have been destroyed.
2. You have ceased teaching students for any days not listed in your catalog.
3. There are circumstances that might affect your ability to comply with accreditation standards or procedures.
- 4. If the institution is unable to come into full compliance at its approved location within 30 calendar days, it must provide a written plan and timeline, stating how it plans to resume operations.**

~~Send your notice to~~ **Notify NACCAS at:**

Executive Director
NACCAS
4401 Ford Avenue, Suite 1300
Alexandria, VA 22302
703-600-7600
Fax 703-379-2200
amirando@naccas.org

The Executive Director will present the plan to the full Commission for review.

These notices are required under Section 5.3 of NACCAS' *Rules of Practice and Procedure*.

~~If you would like the Commission to waive or grant an extension or postponement for any requirement, please specify this in your notice.~~

~~Example: If your school must be closed for a few days for repairs, the Commission will grant a temporary waiver of the requirement that the institution be continuously open and operating and training students.~~

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PROPOSAL 2012-3E

The Commission also advises you to notify your case management team at the United States Department of Education without delay. The Department grants relief on a case-by-case basis.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-4E

Proposal 2012-4E: The Commission proposes to amend Rules Section 8.18(a) to provide that the time frame for compliance established by Section 8.18 begins to toll on the date of the first official written notification by the Commission to the institution (which may include electronic notification) advising the institution that the Commission has determined that the institution is not in compliance with NACCAS' accreditation standards or requirements. (The Proposal was adopted by the Commission under emergency action at its February 2012 meeting and became effective February 10, 2012. The Proposal is presented for comment as it remains subject to change by the Commission.)

Rationale: The Commission has implemented an automated notification system for compliance with NACCAS' student outcomes (completion, placement and licensure) requirements to address concerns raised by the U.S. Department of Education concerning the timeliness of NACCAS' low outcomes monitoring processes. The change proposed below conforms Section 8.18 to the revised notification process.

PROPOSED REVISIONS

Section 8.18 Time Lines to Remedy Non-Compliance

- (a) Where the Commission has found an area in which the institution is out of compliance with accreditation standards and requirements, the period allotted to an institution to remedy the non-compliance or cure the deficiency, together with the time for the Commission's final decision, in no case shall exceed the following time limits:
- (1) Twelve months, if the institution's longest program is less than one year in length;
 - (2) Eighteen months, if the institution's longest program is at least one year, but less than two years in length; or
 - (3) Two years, if the institution's longest program is at least two years in length.

These time frames shall begin to toll on the date of the first **official written notification by the Commission to the institution (which may include electronic notification) advising the institution that the Commission has determined that the institution is not in compliance with NACCAS' accreditation standards or requirements** ~~decision letter on a process deferring action on an institution, placing an institution on probation, granting accreditation with stipulations, withdrawing accreditation, or any similar action relating to noncompliance by the institution.~~

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-1

Proposal 2012-1: The Commission proposes to amend Standard II, Criterion 4.

Rationale: To clarify that instructor/faculty meetings are held at least once a year, and that NACCAS does not require substitutes to attend.

PROPOSED REVISIONS

D 4. Instructors, **with the exception of substitutes,** attend meetings according to the institution's policy **which shall require a meeting at least once every 12 months.**

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PROPOSAL 2012-2

Proposal 2012-2: The Commission proposes to remove Standard II, Criterion 6 and amend Standard II, Criterion 7 to clarify the Commission's intention.

Rationale: It is the intention of the Commission that regularly employed instructors at NACCAS accredited institutions complete at least 12 hours of continuing education each year.

PROPOSED REVISIONS

~~D 6. The institution has a written plan for continuing education for all instructors.~~

D 6 7. **Each instructor, with the exception of substitutes, meets the** ~~The written plan requires all instructors to meet their state requirements for~~ **continuing education** ~~licensure or certification renewal, if applicable, but not less than 12 clock hours of such activity each year.~~ **If the institution requires more hours, each instructor must comply with the institution's requirements.** ~~per instructor.~~

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-3

Proposal 2012-3: The Commission proposes to amend Standard II, Criterion 9.

Rationale: To clarify that institutions are not required to provide annual performance evaluations to substitute instructors.

PROPOSED REVISIONS

D 8 9. Each instructor, **with the exception of substitutes,** receives a written performance evaluation at least once every 12 months.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-4

Proposal 2012-4: The Commission proposes to amend the definition of Continuing Education in the Glossary.

Rationale: To be consistent with the previous policy, and to provide examples of some of the types of continuing education documentation deemed acceptable

PROPOSED REVISIONS

Continuing Education - Participation in a program of instruction which is organized under responsible sponsorship, capable direction, and qualified instruction designed to improve professional proficiency. Twelve clock hours of continuing education or in-service training are required for all instructors in NACCAS-accredited institutions each year. **Examples of continuing education documentation include, but are not limited to, the following:**

- **transcript or certificate from a college course or program, distance learning course or program, or adult education course or program that indicates the number of credits or hours obtained;**
- **certificate of attendance from an educational provider that indicates the date and number of hours or credits completed;**
- **letters from manufacturers, who provide product knowledge classes, indicating the subject matter taught, the number of credits/hours of the training, and a list of instructors attending;**
- **tickets for trade shows including a copy of the program or flyer that describes the event attended;**
- **course outline, date, name of instructor, instructor's qualifications, and a list of attendees for in-house training seminars;**
- **letters from guest speakers indicating the length of the presentation, date, and subject matter presented;**
- **copy of a NACCAS workshop attendance certificate (which represents a minimum of 12 hours of continuing education including the four requisite hours of teaching methodology).** Minor variations in the amount of hours of participation in continuing education activity are acceptable from year to year as long as the average number of hours attended per year is 12. (Refer to Standard II).

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PROPOSAL 2012-5

Proposal 2012-5: The Commission proposes to amend Standard III, Criterion 2.

Rationale: To protect the privacy rights of individuals, specifically instructors. Some states issue instructor licenses and list instructor's home addresses on the license.

PROPOSED REVISIONS

- O 2. Appropriate licenses and certificates issued by state and/or other regulatory authorities are publicly displayed **in accordance with state regulations**.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-6

Proposal 2012-6: The Commission proposes to eliminate Standard III, Criterion 6, as it is redundant.

Rationale: This criterion is currently covered by Standard III, Criterion 3, which among other things, requires institutions to follow all federal laws.

PROPOSED REVISIONS

~~D 6. The institution effectively administers all the student financial assistance programs in which the institution participates.~~

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-7

Proposal 2012-7: The Commission proposes to eliminate Standard III, Criterion 9, which requires institutional advertising to be factual, and instead place the requirement in the NACCAS Policy on Advertising (Policy III.02).

Rationale: As stated above.

PROPOSED REVISIONS

~~D/O 9. Advertising for the institution is factual.~~

ADMINISTRATIVE SERVICES: POLICY ON ADVERTISING

The National Accrediting Commission of Career Arts & Sciences, recognizing the desire of schools to make known their special offerings and resources, encourages schools to hold to a high standard of truthfulness in advertising and requires schools, at a minimum, to meet the standards set out in this policy on advertising. **Advertising for the institution must be factual.** All institutions are required to be in compliance with applicable local, state, and federal oversight agencies with respect to advertising the institution, attracting prospective students, or promoting the institution for any reason whether using written copy, web-based information, or any other media format.

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PROPOSAL 2012-8

Proposal 2012-8: The Commission proposes to amend Standard III, Criterion 13.

Rationale: To protect student privacy while eliminating references to FERPA, as it does not apply to all NACCAS accredited institutions.

PROPOSED REVISIONS

D 11 3. The institution ~~complies with the Family Education Right to Privacy Act~~ **requires written consent from the student or guardian before releasing any student information in response to a third party request, other than a request by NACCAS, unless otherwise required by law.**

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PROPOSAL 2012-9

Proposal 2012-9: The Commission proposes adding a new Standard IV, Criterion 9 that requires institutions allowing leaves of absence to comply with Policy IV.06, the NACCAS Leave of Absence Policy.

Rationale: As stated above.

PROPOSED REVISIONS

D 9. If the institution has a leave of absence policy, it must be in compliance with the NACCAS Leave of Absence Policy.

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PROPOSAL 2012-10

Proposal 2012-10: The Commission proposes to amend Standard IV, Criterion 13 to remove the term “for graduation,” as the criterion relates to admissions requirements.

Rationale: As stated above.

PROPOSED REVISIONS

D ~~13~~ 2. The institution has a policy that clearly defines how training or education received at another institution is applied to the receiving institution's course or program requirements ~~for graduation~~ (including the possibility that no such transfer credit is granted).

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-11

Proposal 2012-11: The Commission proposes removing Standard IV, Criterion 17 to eliminate the duplication of a U.S. Department of Education requirement.

Rationale: It is the Commission's intention that a Department of Education requirement should only be duplicated if it is a "best-practice" for all institutions, regardless of its eligibility or desire to participate in Title IV funding programs.

PROPOSED REVISIONS

~~D-17. — If an institution offers a program that is longer than the state requirements, before enrollment, each applicant is provided the rationale for completing the additional hours and the benefits to be derived from the additional training.~~

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PROPOSAL 2012-12

Proposal 2012-12: The Commission proposes to amend Item 8 of Policy IV.03, the NACCAS Enrollment Agreement Requirements and Checklist, to clarify that institutions are not required to identify whether a schedule is full-time or part-time. The enrollment agreement must identify how many hours per week a student is scheduled to attend.

Rationale: As stated above.

PROPOSED REVISIONS

- _____ 8. Class Schedule – Identify ~~full-time or part-time and~~ the actual **total** hours per week the student is scheduled to attend.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-13

Proposal 2012-13: The Commission proposes amending Item 8 of Policy IV.06, the NACCAS Leave of Absence Policy.

Rationale: To clarify that a student's contract end date must be extended by the same number of days taken in any leave of absence.

PROPOSED REVISIONS

8. The institution must extend the student's ~~maximum time frame and the~~ contract period by the same number of days taken in the LOA. Changes to the contract period on the enrollment agreement must be initialed by all parties or an addendum must be signed and dated by all parties;

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PROPOSAL 2012-14

Proposal 2012-14: The Commission proposes to amend Standard V, Criterion 4 in order to provide more clarity on what is acceptable and to assist visit teams in evaluating the criterion.

Rationale: It was noted that most institutions are placing this information in a readily accessible place, such as a bulletin board or in the student break area.

PROPOSED REVISIONS

A 4. Referrals for Contact information for professional assistance is made available to for students ~~are made as necessary~~

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-15

Proposal 2012-15: The Commission proposes to modify Standard V, Criterion 5 and remove it from Standard 5 and insert it into Standard VI as a new Criterion 8. The Commission proposes that the language be modified to require instruction in licensing requirements.

Rationale: By moving the criterion to Standard VI, and requiring instruction, rather than advice when requested, NACCAS is raising the standard for the industry as a whole.

PROPOSED REVISIONS

Standard V

~~A 5. Information and advice are available to students on regulations governing the scope of practice for which they are training.~~

Standard VI

A 8. Each course and/or program provides instruction on the regulations governing the scope of practice for which students are training.

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PROPOSAL 2012-16

Proposal 2012-16: The Commission proposes to amend Standard V, Criterion 7 to limit the institution's responsibility, so that they are only required to provide information and advice on the types of financial assistance they offer.

Rationale: As stated above.

PROPOSED REVISIONS

A 6 7. Information and advice on ~~any~~ available financial assistance is accessible to students.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-17

Proposal 2012-17: The Commission proposes to amend Standard VI, Criterion 7 to clarify the Commission's expectation.

Rationale: It is the Commission's expectation that an institution's curriculum is sufficiently preparing graduates for licensure and employment in states where there is no oversight agency guidelines or requirements.

PROPOSED REVISIONS

- D 7. Courses and/or programs offered by the institution comply with the applicable regulatory agency curriculum requirements. In the absence of oversight agency regulations regarding curriculum, ~~programs~~ **courses** and/or ~~programs~~ **courses** are designed to meet industry standards using feedback from the institution's advisory committee **and required elements of the state or national examination, if applicable, and/or requirements defined in the oversight agency's statutes or regulations for licensure.**

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-18

Proposal 2012-18: The Commission proposes amending Policy VII.01, the NACCAS Withdrawal and Settlement Policy and Checklist, to clarify that institutions may calculate refunds based on billing periods if they are contracting and billing students in that manner. The Commission also proposes that items on the checklist be moved around so that it is easier for institutions and evaluators to understand.

Rationale: As stated above.

PROPOSED REVISIONS

FINANCIAL PRACTICES & MANAGEMENT: WITHDRAWAL AND SETTLEMENT POLICY AND CHECKLIST

- ___ 19. All extra costs, such as books, equipment, graduation fees, etc., that are not included in the tuition price are stated and any non-refundable items are identified.
- ___ 20. A non-refundable application fee does not exceed \$100.00, if applicable.
- ~~26~~ 21. The NACCAS Minimum Tuition Adjustment Requirements are followed.

Minimum Tuition Adjustment Schedule

For students who enroll in and begin classes, the following schedule of tuition adjustment will be considered to meet minimum standards for refunds:

PERCENTAGE LENGTH COMPLETED TO TUITION TOTAL LENGTH OF <u>COURSE AND/OR</u> PROGRAM OR COURSE , SCHOOL SEMESTER OR TERM <u>OR BILLING PERIOD (PER CONTRACT)</u>	AMOUNT OF TOTAL OWED TO THE SCHOOL
0.01% to 4.9%	20%
5% to 9.9%	30%
10% to 14.9%	40%
15% to 24.9%	45%
25% to 49.9%	70%
50% and over	100%

Course and/or Program ~~or Course~~ Cancellation and School Closure Policy

- ~~24~~ 22. If a program or course is canceled subsequent to a student's enrollment, and before instruction in the program or course has begun, the school shall at its option:
- ___ a. Provide a full refund of all monies paid; or
- ___ b. Provide completion of the program or course.
- ___ 23. The Program Cancellation Policy requires that a pro rata refund of tuition is made.

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PROPOSAL 2012-18

~~27~~ 24. If a school closes permanently and ceases to offer instruction after students have enrolled and instruction has begun, the school must make arrangements for students such as a pro rata refund or participation in a teach out agreement.

~~28~~ 28. A list of all students who were enrolled at the time of school closure including the amount of each pro rata refund is submitted to NACCAS.

Collection Policy requires that:

~~22~~ 25. Collection procedures reflect good taste and sound, ethical business practices.

~~23~~ 26. The name of the National Accrediting Commission of Career Arts and Sciences is not used in the institution's refund policy nor in any of its collection efforts.

~~24~~ 27. Collection correspondence regarding cancellation and settlement from the institution itself, banks, collection agencies, lawyers, or any other third parties representing the institution clearly acknowledges the existence of the withdrawal and settlement policy.

~~25~~ 28. If promissory notes or contracts for tuition are sold or discounted to third parties, the third party must comply with the cancellation and settlement policy of the institution.

School Closure Policy

~~The Policy requires that:~~

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PROPOSAL 2012-19

Proposal 2012-19: The Commission proposes amending Policy VII.02, the NACCAS Policy on Extra Instructional Charges because institutions have requested the privilege of billing students on a daily, weekly, or monthly basis once the allowable absences have been exhausted.

Rationale: As stated above.

PROPOSED REVISIONS

FINANCIAL PRACTICES & MANAGEMENT: CONTRACT: POLICY ON EXTRA INSTRUCTIONAL CHARGES

An institution may charge a student for extra instruction needed to complete his/her program if:

1. The absences allowed within the contract period have been exhausted; and
2. The amount charged per unit of instruction (i.e., clock hour, week, credit or competency) is clearly stated on the enrollment agreement and tuition and fees information is provided to students upon enrollment.

Schools charging a fee prior to the completion date appearing on the enrollment agreement have secured from the student an acknowledgment of credit to their account. All monies received for extra-instruction prior to completion of the student contract are refunded if the student terminates **and all allowed absences have been exhausted.**

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PROPOSAL 2012-20

Proposal 2012-20: The Commission proposes amending Standard IX and removing Policies IX.01 and IX.02, the NACCAS Policies on Satisfactory Academic Progress for Programs Measured in Clock Hours, Competencies and Credits.

Rationale: It is the Commission's intention that NACCAS should not monitor Satisfactory Academic Progress as it is a Title IV requirement. Rather, NACCAS should ensure that institutions are properly evaluating students, informing students of their evaluation results, and helping to ensure that students progress through the course and/or program in a timely fashion.

PROPOSED REVISIONS

IX. EVALUATION OF STUDENTS

The institution uses systematic student evaluation to assist student learning and to demonstrate satisfactory student achievement before a certificate of completion is awarded.

- D 1. Each student is evaluated periodically on attendance, academic and/or practical learning, as applicable.
- D 2. Practical learning is evaluated using written criteria, such as rubrics or similar means.
- A 3. Student ~~evaluation results are provided to students~~ **are provided access to evaluation results.**
- D 4. At least one evaluation is conducted in a course and/or program less than 300 clock hours or its equivalent and at least two evaluations are conducted in a course and/or program of 300 clock hours or more or its equivalent.**
- D 5. At least one evaluation must occur on or before the mid-point of the course and/or program.**
- D 6. The institution assists students who are experiencing difficulty in progressing satisfactorily in the course and/or program.**
- D ~~7~~ 4. The institution documents that each student who graduates or is otherwise awarded a certificate of completion has fully met the institution's published graduation requirements.
- D 5. ~~The institution's Satisfactory Academic Progress Policy complies with the NACCAS Satisfactory Academic Progress Policy and Checklist.~~
- D 6. ~~The institution accurately evaluates student progress according to the requirements of the NACCAS Satisfactory Academic Progress Policy and Checklist, if applicable.~~

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PROPOSAL 2012-21

Proposal 2012-21: The Commission proposes to amend Rules Section 4.5 to require that an institution undergoing a Category 1 relocation have an on-site visit within 90 days.

Rationale: Under the current Rule, if an institution relocates following a renewal visit, the new location may not be visited until the next renewal cycle (i.e., as much as five or six years after the relocation occurs). The Commission is proposing the change below to ensure that all new locations receive a NACCAS visit in a timely fashion.

PROPOSED REVISIONS

Section 4.5 Requirements Specific to Category 1 Relocation

- (a) 30 Days: An Application for Change of Location (Appl. #11) must be completed and returned to the Executive Director of NACCAS thirty (30) days prior to the date the school plans on relocating.
- (b) Visit within 90 days: Within 90 days of the category 1 relocation, the institution shall undergo an on-site evaluation, in accordance with Part 3 of these Rules, to review the institution's compliance with all NACCAS standards, in accordance with the Category 1 Relocation Visit Check List. The visit shall be conducted by a NACCAS staff person and a Practitioner Evaluator. The institution must have available to the evaluation team all of the documents and information listed in Appendix #14A. The visit shall be conducted at the school's expense.

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PROPOSAL 2012-22

Proposal 2012-22: The Commission proposes to amend Rules Section 4.14 to include the definition of Teach-Out Event in the Rule, and to amend that definition to include the placing of an institution's accreditation on Probation.

Rationale: Under Section 8.10 of the Rules, the Commission places an institution's accreditation on Probation when it has determined that the institution is out of compliance with NACCAS' accreditation requirements and that a failure to take immediate corrective action to come back into compliance will warrant withdrawal of accreditation. The Commission is proposing the change below because it believes that when such an event occurs, the risk to the institution and its students of a loss of accreditation is sufficiently serious that the institution should be required to make arrangements for a Teach-Out, if one becomes necessary. The Commission also proposes, for clarity, to include the definition of Teach-Out Event in Section 4.14 (as well as in the Glossary).

PROPOSED REVISIONS

Section 4.14 Teach-Out and Teach-Out Agreements

(h) For purposes of these Rules, the term "Teach-Out Event" shall mean the occurrence of any one or more of the following events involving a NACCAS-accredited institution:

1. The U.S. Department of Education notifies the Commission that the Secretary of Education has initiated an emergency action against the institution, in accordance with section 487(c)(1)(G) of the Higher Education Act (or a successor statute)(the "HEA"), or an action to limit, suspend, or terminate an institution participating in any title IV, HEA program, in accordance with section 487(c)(1)(F) of the HEA (or a successor Statute), and that a Teach-Out Plan is required.
2. The Commission acts to withdraw the accreditation of the institution.
3. The Commission acts to place the institution's accreditation on Probation.
4. The institution notifies the Commission that it intends to (a) cease operations entirely or (b) cancel a program after students are enrolled.
5. A State licensing or authorizing agency notifies the Commission that an institution's license or legal authorization to provide an educational program has been or will be revoked.

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GLOSSARY OF TERMS

Teach-Out Event – The occurrence of any one or more of the following events involving a NACCAS-accredited institution:

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PROPOSAL 2012-22

1. The U.S. Department of Education notifies the Commission that the Secretary of Education has initiated an emergency action against the institution, in accordance with section 487(c)(1)(G) of the Higher Education Act (or a successor statute)(the “HEA”), or an action to limit, suspend, or terminate an institution participating in any title IV, HEA program, in accordance with section 487(c)(1)(F) of the HEA (or a successor Statute), and that a Teach-Out Plan is required.
2. The Commission acts to withdraw the accreditation of the institution.
3. **The Commission acts to place the institution’s accreditation on Probation.**
4. The institution notifies the Commission that it intends to (a) cease operations entirely or (b) cancel a program after students are enrolled.
5. A State licensing or authorizing agency notifies the Commission that an institution's license or legal authorization to provide an educational program has been or will be revoked.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-23

Proposal 2012-23: The Commission proposes to amend Rules Section 4.15 to permit the Commission, under certain circumstances, to approve a proposed substantive change prior to the date of the change, subject to stipulations.

Rationale: The Commission is proposing the change below because it believes that allowing an institution to seek and obtain Commission approval of a substantive change (subject to stipulations) before actually undertaking the change will allow the institution to reduce the risk that the Commission will reject the change after it has already been implemented. The Commission believes this will be especially helpful to institutions proposing changes (such as changes in location or ownership) that are not easily reversed if approval is not granted.

PROPOSED REVISIONS

Section 4.15 Commission Action on Substantive Changes

With respect to applications for substantive changes under this Part, the record for the application will be taken up and considered by the full Commission.

- (a) The Commission may receive recommendations from the Executive Director and/or a designated committee.
- (b) The full Commission may approve the change, and continue the institution's accreditation or take any of the actions set out in Part 8 of these *Rules*. **Such approval may be given prior to the effective date of the change for which approval by the Commission is sought; provided, however, that:**
 - (1) **Such approval shall be subject to such stipulations as the Commission shall deem appropriate (including the stipulation that change occur not later than a fixed date); and**
 - (2) **The effective date of such approval shall be the date on which such stipulations are met, and shall in no case be retroactive.**
- (c) Deny Approval: A denial of approval of a change under this Part is appealable in accordance with Part 9 of these *Rules*.

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PROPOSAL 2012-24

Proposal 2012-24: The Commission proposes to amend Rules Section 4.16 to include a change in an institution's official contact person for NACCAS purposes as a non-substantive change requiring notice to NACCAS.

Rationale: NACCAS must know at all times who is authorized to speak to NACCAS on behalf of each accredited institution and, conversely, who is authorized to receive official NACCAS communications. In order to ensure that NACCAS' records on these matters are up-to-date, the Commission is proposing that each institution be required to notify NACCAS of changes to its official contact person.

PROPOSED REVISIONS

Section 4.16 Definitions of Non-Substantive Changes

(f) Changes to the official contact person for the institution.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-25

Proposal 2012-25: The Commission proposes to amend Rules Section 4.17 to provide that if an institution fails to notify NACCAS of a non-substantive change within ninety (90) days after the notification deadline set forth in the Rules, the change will no longer be considered non-substantive and the institution will be required to apply for Commission approval of the change.

Rationale: NACCAS' Rules require that non-substantive changes be promptly reported to NACCAS. This not only ensures that NACCAS' records are kept up-to-date, but also allows NACCAS to identify substantive changes (requiring Commission approval) that have been mistakenly classified as non-substantive by the institution. The Commission is proposing the change below because it believes that material failure to abide by the Commission's reporting Rules merits closer investigation of the change by the Commission.

PROPOSED REVISIONS

Section 4.17 ~~Abbreviated Procedure to Notify~~ Notification to NACCAS of Non-Substantive Changes

- (a) At least 30 days before the change, the institution must submit the appropriate Notification Form and fee to the Executive Director of NACCAS. The fee shall be waived where a program change is mandated by the state in which the school is located. **Except as set forth in Section 4.17(b) below, NACCAS shall acknowledge the change.**
- (b) ~~NACCAS shall acknowledge the change.~~ **If the institution fails to notify NACCAS of a change described in Section 4.16 within ninety (90) days after the deadline for notification set forth in these Rules, the change shall no longer be considered a non-substantive change under these Rules. The Commission shall consider any such change to be a substantive change, and the institution must apply for approval of such change by the Commission in accordance with the applicable provisions of Part 4 of these Rules.**

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-26

Proposal 2012-26: The Commission proposes to amend Rules Section 10.0 to delete the requirement that the Commission publish the names of all schools seeking approval of substantive change applications before taking final action on the applications.

Rationale: NACCAS' Board of Commissioners meets on a monthly basis, hears substantive change applications at every meeting and has, over the last several years, made procedural changes that have substantially increased the efficiency and timeliness of action on applications for substantive changes. The Commission is proposing the change below because it believes that prior publication of all applications for substantive changes prior to Commission action (a requirement was first enacted more than 25 years ago, when the Commission met infrequently) will substantially, and unnecessarily, delay the Commission's consideration and final action on such applications.

PROPOSED REVISIONS

Section 10.0 Publication of Proposed Material Changes

(a) The Commission shall publish in the NACCAS newsletter (or in any other mailing distributed to all accredited schools and the NACCAS mailing list) all proposed material changes in its Standards and Criteria, *Rules of Practice and Procedure*, policy statements, any other document which contains requirements or procedures with which a school must comply in order to secure and/or maintain accredited status. Interpretation of existing Standards and Criteria, *Rules of Practice and Procedure* and other documents need not comply with the requirements of Part 10. The Commission shall also publish, in advance of Commission action, the names of schools seeking initial accreditation, renewal of accreditation, or approval of Additional Locations, ~~changes, and relocations.~~

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-27

Proposal 2012-27: The Commission proposes to amend Rules Section 10.5 and Appendix #12 to clarify that the Commission will entertain petitions for variance of NACCAS' Rules, Policies and Appendices, but will not entertain petitions for variance of the Standards and Criteria.

Rationale: The Commission is proposing the change below to conform the Rules to current Commission practice.

PROPOSED REVISIONS

Section 10.5 Petitions for Variance

The Commission shall accept for consideration at its regular meetings where accreditation actions are taken, petitions for variance of these *Rules of Practice and Procedure*, **the Appendices to these Rules or NACCAS' Policies** filed by a school. If a school wishes to petition the Commission for a variance from these *Rules of Practice and Procedure*, **the Appendices or NACCAS' Policies** it shall do so by filing with the Executive Director, in writing, a Petition for Variance. Such petition shall cite the specific section of these *Rules of Practice and Procedure*, **the Appendices or NACCAS' Policies** from which a variance is sought. It shall include an explanation of all factors and considerations to support the variance sought. A petition needs to be submitted at least forty-five (45) days prior to the Commission meeting where it is to be considered. The petitioning school may also request to personally appear before the Commission to argue in support of the Petition for Variance.

For the avoidance of doubt, the Commission shall not accept petitions for variance of NACCAS' Standards and Criteria.

Decisions by the Commission on a Petition for Variance shall be made in the same procedural manner as other accrediting actions of the Commission.

The denial of a Petition for Variance is not appealable.

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Appendix #12

INSTRUCTIONS FOR SUBMISSION OF PETITIONS FOR A VARIANCE TO THE NACCAS *RULES, APPENDICES OR POLICIES*

Pursuant to Section 10.5 of the NACCAS *Rules of Practice and Procedure*, the Commission may accept for consideration a petition for a variance of the *Rules, Appendices or Policies* by a school. Petitions must be received forty-five days prior to a scheduled meeting of the Commission unless there are substantiated special circumstances. The Commission will only accept petitions that are submitted in the following format.

1. List the specific section of the *Rules* to be varied, including the section and number.
2. Provide the institution's rationale for the variance.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-27

3. Provide all documents used by the institution to support the request for a variance.
4. The institution must submit six (6) copies of the petition and supporting documentation in soft sided binders for easy review by the Commission.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-28

Proposal 2012-28: The Commission proposes to amend Rules Section 10.7 to include a non-exhaustive list of disasters for which variances may be granted, and to eliminate the requirement that a disaster area must have been declared.

Rationale: To conform the Rule to proposed changes in the Policy on Disasters.

PROPOSED REVISIONS

Section 10.7 Variance in Case of Disaster

The Commission ~~shall~~ **may** grant variances of compliance with some standards and procedures to schools affected by **floods, tornadoes, hurricanes, fires, wild fires, earthquakes or other** disasters ~~in a disaster area designated by the Federal Emergency Management Administration or the governor of the state in which it is located.~~ Variances shall be in areas set out in NACCAS Policy on Disasters.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-29

Proposal 2012-29: The Commission proposes to amend Rules Section 11.4 to provide that the Commission will inform the U.S. Department of Education of the name of any institution or program accredited by NACCAS which the Commission has reason to believe is failing to meet its Title IV, HEA program responsibilities or is engaged in fraud or abuse.

Rationale: The Commission proposes the change below to enhance compliance with applicable federal regulations (34 C.F.R. §602.27(a)(6)).

PROPOSED REVISIONS

Section 11.4 Notification to Government Entities

NACCAS shall inform the U.S. Department of Education and the appropriate State oversight agency, at the same time that it notifies the institution, of any final denial or withdrawal actions, and of any action to place an institution's accreditation on probation, taken pursuant to Parts 4 and 8 of the *Rules*. A final decision is one reached after an institution has exhausted the appeals process provided for under Part 9 of these *Rules*, or which is entered after an institution has failed to avail itself or its appeal rights with the prescribed time frame. No later than 60 days after a final decision to deny or withdraw accreditation, NACCAS shall make available to the U.S. Department of Education and the appropriate State oversight entity a brief statement summarizing the reasons for the Commission's decision and the comments, if any, that the affected institution submits with regard to that decision.

NACCAS shall notify the United States Department of Education and the appropriate State oversight agency, within 30 days, of any decision to grant initial accreditation, renewal of accreditation, or approve a change under Parts 4 and 8 of the *Rules*. Also, NACCAS shall notify these government entities, within 30 days, of an institution's decision to voluntarily relinquish its accreditation and the effective date of that relinquishment.

NACCAS shall inform the United States Department of Education of the name of any institution or program accredited by the NACCAS which agency with the Commission, ~~upon review of the team report and response, interim visit report, complaint and response to complaint allegations or annual report information~~ has reason to believe is failing to meet its Title IV, HEA program responsibilities or is engaged in fraud or abuse and the reason for the Commission's concern.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-30

Proposal 2012-30: The Commission proposes to amend Appendix #9 to eliminate the requirement that an institution undergoing a Category 1 Change of Control provide the Commission with a same day balance sheet.

Rationale: The Commission is proposing the change below because it believes that a “same day balance sheet” does not provide useful information, and is therefore not necessary, when an institution has simply undergone a change in corporate form.

PROPOSED REVISIONS

APPENDIX #9

Requirements Specific to Category 1

1. At least 30 days before the effective date of the Change of Control, submit the required application form together with:
 - a. A non-refundable application fee.
 - b. Copy of state license issued in the name of the new Owners (to be submitted within 30 days after the change in structure).
 - c. If the institution is organized as (or is a Subsidiary of) a Business Entity, a copy of the certificate of incorporation, articles of formation or equivalent State authorization for the formation of such Business Entity(ies).
 - d. A report of any changes that have been made or will be made in the near future by the institution’s New Controlling Owner (e.g., curriculum, staff, materials, equipment, location, etc.).
 - e. ~~A balance sheet for the institution as of the effective date of the Change of Control (to be submitted within 30 days after the effective date of the Change of Control), compiled by an independent certified public accountant on an accrual basis of accounting according to GAAP.¹~~

¹ The “Guide to Change of Control” Chart will also be updated to reflect this amendment.

NACCAS 2012 POLICY CALL FOR COMMENT

PROPOSAL 2012-31

Proposal 2012-31: The Commission proposes to amend Appendix #9 to eliminate the requirement that an institution undergoing a Category 1 Change of Control provide the Commission with a report of changes in operations the institution has made or plans to make in the near future.

Rationale: The Commission is proposing the change below because it believes that a “report of changes made or proposed” is not necessary when an institution has simply undergone a change in corporate form.

PROPOSED REVISIONS

Requirements Specific to Category 1

1. At least 30 days before the effective date of the Change of Control, submit the required application form together with:
 - a. A non-refundable application fee.
 - b. Copy of state license issued in the name of the new Owners (to be submitted within 30 days after the change in structure).
 - c. If the institution is organized as (or is a Subsidiary of) a Business Entity, a copy of the certificate of incorporation, articles of formation or equivalent State authorization for the formation of such Business Entity(ies).
 - d. ~~A report of any changes that have been made or will be made in the near future by the institution’s New Controlling Owner (e.g., curriculum, staff, materials, equipment, location, etc.).~~
 - e. A balance sheet for the institution as of the effective date of the Change of Control (to be submitted within 30 days after the effective date of the Change of Control), compiled by an independent certified public accountant on an accrual basis of accounting according to GAAP.