Eliminate Extension of Accreditation

Policy Change Adopted on Second Reading

The Higher Learning Commission’s (HLC’s) Board of Trustees adopted this policy on second reading at its meeting on November 3–4, 2016.

Background

This amendment removes a provision that permitted the Board of Trustees to extend accreditation for a closing institution under certain conditions. Although providing such an extension may help ensure that students could complete degrees and programs through teach-out arrangements, having students earn a degree from an institution that is officially closed would present difficulties. A closed institution does not have an active Office of Postsecondary Education (OPE) identification number and therefore cannot be the institution of record for students seeking Title IV federal aid. Another difficulty is that earning a degree from a closed institution may cause issues for students in situations where their credentials and transcripts may be closely examined, such as in applications for licensure.

Given the potential harm to students, HLC determined it would not be responsible to maintain this policy (especially since it has been rarely utilized). The U.S. Department of Education’s teach-out provisions assume that the teach-out institution will ultimately grant a degree or certificate to the student from the closing institution, and, with this change, HLC’s policies anticipate this outcome as well.

The proposed change was circulated to the membership and other interested parties after the Board’s meeting on June 3–July 1, 2016. No comments were received.

Implementation

This policy is effective immediately.
Adopted Policy

Wording that was deleted or revised is shown as strikethrough (old wording); new language, whether through addition or revision, is shown in bold (new wording). These revisions have been made on HLC’s policy website at policy.hlcommission.org.

Policy Title: Termination of Affiliation or Accreditation
Number: INST.B.30.010

Resignation From Affiliation With the Commission

An institution affiliated with the Commission either as a candidate or as an accredited institution may voluntarily resign from that affiliation at any time. The resignation must be initiated by the legally designated governing body of the institution and conveyed to the Commission through a formal letter signed by the President of the institution. This letter may set an effective date for such resignation not to exceed one year from the date of the letter and provided that such effective date is not more than eleven (11) years (the maximum interval for reaffirmation of accreditation) from the date of the last reaffirmation of accreditation or four (4) years from the date candidacy was awarded. The institution must meet all obligations of affiliation until the resignation becomes effective. Within thirty (30) days of receiving this letter, the Commission issues a public disclosure notice that describes the resignation, including resignation based on the closing of the institution, which is available to the public on the Commission’s website. Within thirty (30) days the Commission also notifies the U.S. Department of Education and the appropriate state agency and other recognized accrediting agencies regarding the resignation. Voluntary resignation does not release an institution from past and current financial obligations to the Commission.

Accreditation of Closing Institutions

When the governing board of an accredited institution decides to close the institution, it may seek from the Board of Trustees an extension of its accreditation beyond the publicly announced date of closing. The sole purpose of the extension is to ensure that its students can complete degrees and programs without undue difficulty. Extension of accreditation is typically for no longer than one year beyond the date of closing.

Extension of Accreditation After Closing

To approve an extension of accreditation, the Board of Trustees must be assured of (1) the ongoing legal existence of the institution beyond closing, (2) the existence of a teach-out agreement with
another institution that meets Commission and federal requirements; and (3) the existence of appropriate processes to guarantee that all degrees granted after the date of closing meet the graduation requirements established by the institution.

Policy Number Key

Section INST: Institutional Policies
Chapter B: Requirements for Achieving and Maintaining Affiliation
Part 30: Obligations of Membership and Affiliation

Last Revised: November 2016
First Adopted: August 1987 and October 1988
Notes: Policies combined November 2012 – 1.5, 3.8.
Related Policies: INST.B.30.040 Public Disclosure, FDCR.B.10.010 Commission Approval of Institutional Teach-Out Arrangements