

Teach-Out Arrangements

Policy Change Adopted on Second Reading

The Higher Learning Commission (HLC) Board of Trustees (“the Board”) adopted this policy on second reading at its meeting on February 27, 2025.

Background

Under HLC policies, institutions must submit documents related to a teach-out arrangement to HLC for approval under certain circumstances. Teach-out arrangements include provisional plans and, if required, teach-out agreements. The policies describe (a) the circumstances in which an institution must submit a provisional plan, as well as when the provisional plan must include teach-out agreements; (b) the requirements for institutions that serve as teach-out receiving institutions; and (c) the requirements for provisional plans and teach-out agreements. All of these requirements are focused on ensuring that students who are subject to a teach-out arrangement are provided with appropriate opportunities to complete their program of study.

The adopted policy changes clarify and adjust various aspects of HLC’s requirements regarding teach-out arrangements. The revisions better align HLC policies with federal regulations, while simultaneously providing for flexibilities where possible and continuing to be focused on student needs.

Due to the extent of the changes to HLC’s teach-out policy, this document includes versions of the revised policy with and without markup. See the proposed revisions on the following pages:

- [Revised teach-out policy without markup](#) on page 2
- [Revised teach-out policy with markup](#) on page 9
- [Revisions to related policies](#) on page 20

HLC circulated these policy changes to the membership and other interested parties after the Board’s October 2024 meeting. Some comments were received and reviewed by staff. None of the external comments resulted in changes to the proposed policy language. However, HLC staff made minor edits to further clarify aspects of the policy, including further refinements to the Staff Authority policy on the issue of teach-out related matters.

In conjunction with these policy changes, HLC also published new and updated resources related to teach-out arrangements:

- Updated [Teach-Out Arrangements](#) webpage, which details HLC’s teach-out requirements and processes
- Updated procedure document, [Provisional Plans and Teach-Out Agreements: Overview of HLC’s Teach-Out Requirements](#)
- Updated [definitions](#) of terms related to teach-out arrangements
- New forms for institutions required to submit a provisional plan and/or teach-agreement to HLC for approval:
 - [Provisional Plan Substantive Change Application](#)
 - [Teach-Out Agreement Cover Sheet](#)
- Updated [Teach-Out Toolkit](#)

Implementation

This policy is effective immediately.

Adopted Policy Change

These revisions have been made on HLC’s website at hlcommission.org/policies.

Adopted Teach-Out Policy Without Markup

Policy Title: HLC Approval of Institutional Teach-Out Arrangements
Number: FDCR.B.10.010

HLC approval of various aspects of an institution’s teach-out arrangements shall be required when an institution must teach-out one or more students, or when a provisional plan is otherwise required.

When a Provisional Plan Is Required, With or Without Teach-Out Agreements

In some circumstances, an institution shall be required to submit a written provisional plan to HLC for review and approval. In some circumstances, an institution shall also be required to submit at least one teach-out agreement in conjunction with that provisional plan to HLC for review and approval.

An institution is required to promptly contact HLC through its HLC staff liaison if it becomes aware of or anticipates any of the circumstances listed in this policy that would require a provisional plan, with or without teach-out agreements.

Circumstances Requiring a Provisional Plan

An institution is required to submit a provisional plan for review and approval in any of the following circumstances:

1. The U.S. Department of Education notifies HLC of a determination by a non-profit or proprietary institution's independent auditor expressing doubt regarding the institution's ability to operate as a going concern or indicating an adverse opinion or a finding of material weakness related to the institution's financial stability.
2. The U.S. Department of Education determines that the institution is required to participate in Title IV, HEA programs under a provisional program participation agreement and is required to have a teach-out plan (provisional plan) as a condition of participation.
3. HLC grants candidacy to an institution.
4. HLC places an institution on Probation or issues a Show-Cause Order to the institution.
5. HLC staff determines in its sole discretion that closure or suspension of one or more educational programs at an institution raises concerns that students in the program(s) will not be able to complete their program of study.
6. HLC staff determines that the institution is at risk for a sudden closure or suspension of its operations.
7. HLC staff determines in its sole discretion that a provisional plan is otherwise necessary to protect students based on a risk that students will not be able to complete their program of study.

Circumstances Requiring a Provisional Plan and Teach-Out Agreements

In general, it is necessary for an institution to enter into teach-out agreements if: (a) it is anticipated that the institution will need to rely on the assistance of one or more institutions (each then referred to as a teach-out receiving institution) to teach-out students prior to its closure as an academic institution, closure of a branch campus, or closure of an additional location at which 100% of an educational program is offered (if not within a reasonable distance from the institution's other branch campuses or additional locations), or the discontinuation of an educational program(s); (b) it is anticipated that the institution's planned closure date for any branch campus or any additional location at which 100% of an educational program is offered, predates the anticipated graduation date for any number of students pursuing their program(s) of study at that branch campus or additional location; or (c) it is anticipated that the institution's loss of eligibility for

Title IV funds will result in some students being unable to complete their program(s) at that institution even if the institution itself will continue to operate.

An institution shall be required to submit a written provisional plan and, if practicable, at least one teach-out agreement in conjunction with that provisional plan, to HLC for review and approval in any of the following circumstances:

(list continued from above)

8. Any of the circumstances described in (1)-(7) above, if HLC staff determines in its sole discretion that teach-out agreements are necessary to protect students based on a risk that students will not be able to complete their program of study as described above.
9. The U.S. Department of Education initiates an emergency action, limitation, suspension, termination or similar action against the institution.
10. The U.S. Department of Education places the institution on the Reimbursement payment method or Heightened Cash Monitoring 2 payment method.
11. HLC acts to withdraw the institution's accreditation or candidacy.
12. The institution notifies HLC that it intends to close or otherwise suspend, cease or remove operations entirely.
13. The institution notifies HLC that it intends to permanently close a branch campus or an additional location where it offers 100% of at least one certificate or degree program before all students have completed their program of study, including if the branch campus or additional location is being moved and is considered by the U.S. Department of Education to be a closed institution.
14. The institution notifies HLC that it intends to permanently close an additional location where it offers one or more Pell-eligible prison education programs, or another site where it offers 100% of any educational program designed for students who are incarcerated (even if not Pell-eligible).
15. A state licensing or authorizing agency revokes or indicates that it will revoke an institution's license or legal authorization to provide an educational program in that state.

HLC Requirements for Provisional Plans

A provisional plan submitted to HLC for review and approval must meet the following minimum requirements. Additional information is available in “Provisional Plans and Teach-Out Agreements: Overview of HLC’s Teach-Out Requirements.”

1. The provisional plan provides for equitable treatment of students by ensuring that they are able to complete, within a reasonable period of time, the educational program in which they were enrolled immediately prior to the situation requiring submission of a provisional plan.
2. The provisional plan includes a complete list of the educational programs offered by the institution.
3. The provisional plan includes a complete list of currently enrolled students (with personally identifiable information redacted) in each affected educational program at the institution.
4. The provisional plan includes a complete list of all recognized programmatic accreditors and state licensing agencies with which the institution has a relationship, as well as the status of any educational program with such entities.
5. The provisional plan includes the name of at least one other institution that could potentially enter into a teach-out agreement with the institution because the other institution offers educational programs that are reasonably similar in content, delivery modality and scheduling to affected educational programs at the institution.
6. The provisional plan includes a record retention plan that delineates the final disposition of student records.
7. The provisional plan includes a plan for financial aid advising, academic advising and other appropriate academic assistance (including, as applicable, information for students who transfer).
8. The provisional plan includes a communications plan that, at minimum:
 - a. Provides all affected students with a summary of the provisional plan and, if the provisional plan includes teach-out agreements, with a summary of the teach-out agreements, as applicable to the affected students.
 - b. Provides all potentially eligible students with information about how to obtain a closed school discharge and, if applicable, information on state refund policies.

HLC Requirements for Teach-Out Receiving Institutions

An institution that intends to serve as a teach-out receiving institution must meet the following requirements. Additional information is available in “Provisional Plans and Teach-Out Agreements: Overview of HLC’s Teach-Out Requirements.”

1. Be accredited by an accreditor recognized by the U.S. Department of Education and, where appropriate, eligible for Title IV financial aid.
2. Offer the educational programs covered by the teach-out agreement and, as applicable, be approved by the appropriate state higher education agency(ies) to offer the educational programs covered by the teach-out agreement.
3. Have similar programmatic accreditation for educational programs covered by the teach-out agreement, if such accreditation is necessary to serve students enrolled in educational programs for which licensure or certification requirements apply.
4. Have the necessary experience, resources and support services to provide an educational program that is of acceptable quality and reasonably similar in content, delivery modality and scheduling to that provided by the current institution.
5. Be willing to modify, as appropriate, admissions requirements and residency requirements for affected students.
6. Demonstrate that it can provide students access to applicable educational programs and services without requiring them to move or travel substantial distances or durations.
7. Have the capacity to carry out its mission and meet all obligations to its existing students.
8. Not be subject to any of the circumstances that would require it to submit a provisional plan pursuant to this policy or applicable regulations.
9. Not be under investigation, subject to an action, or being prosecuted for an issue related to academic quality, misrepresentation, fraud, or other severe matters by a law enforcement agency.

HLC reserves the right to disqualify any institution as a teach-out receiving institution based on its determination that the institution does not have the capacity to serve as a teach-out receiving institution based on these circumstances or other risk factors.

An HLC institution that intends to serve as a teach-out receiving institution to another institution, regardless of whether the other institution has submitted a provisional plan to HLC, or is itself accredited by HLC,

must inform HLC of its intent to serve as a teach-out receiving institution prior to implementation of a teach-out agreement.

HLC Requirements for Teach-Out Agreements

A teach-out agreement that is submitted to HLC for review and approval must meet the following minimum requirements. Additional information is available in “Provisional Plans and Teach-Out Agreements: Overview of HLC’s Teach-Out Requirements.”

1. The teach-out agreement is fair and equitable to students.
2. The teach-out agreement provides students with reasonable opportunities to complete their program of study.
3. The teach-out agreement clearly states the time period for which it is applicable.
4. The teach-out agreement contains an affirmation that it is consistent with all applicable state and federal regulations.
5. The teach-out agreement identifies which educational programs are within the scope of the teach-out agreement.
6. The teach-out agreement identifies which student populations are within the scope of the teach-out agreement.
7. The teach-out agreement includes a complete list of currently enrolled students (with personally identifiable information redacted) in each affected educational programs at the institution, indicating the program requirements each student has completed and the number and type of credits the teach-out receiving institution is willing to accept prior to the student’s enrollment.
8. The teach-out agreement includes information on the tuition and fees of the educational program(s) at the teach-out receiving institution, including any additional charges.
9. The teach-out agreement includes a records retention plan that delineates the final disposition of student records.
10. The teach-out agreement includes a communications plan that, at a minimum:
 - a. Provides all affected students with information about the time period for which the teach-out agreement is applicable.

- b. Provides all affected students with information on which students are within the scope of the teach-out agreement, including the number and types of credits the teach-out receiving institution is willing to accept prior to each student's enrollment.
- c. Provides all affected students with a clear statement of the tuition and fees of the educational program(s), including any additional charges.
- d. Provides all affected students with information regarding the records retention plan.
- e. Provides all potentially eligible students with information about how to obtain a closed school discharge and, if applicable, information on state refund policies.

HLC Approvals Related to Teach Out

HLC staff have the authority to take the following actions related to teach-out arrangements:

1. Approve the participation of additional teach-out agreements in a teach-out arrangement after an HLC decision-making body has approved the provisional plan associated with those teach-out agreements.
2. Approve the participation of an HLC member institution as a teach-out receiving institution in a teach-out arrangement for a non-HLC member institution.

HLC staff may request at any time that an institution submit a new provisional plan based on changes in circumstances.

All other HLC approvals related to teach-out arrangements shall be provided by an HLC decision-making body recognized by the U.S. Department of Education.

If HLC approves a provisional plan or teach-out agreement that includes an educational program accredited by another recognized accreditor, HLC shall notify that accreditor as provided for in HLC policies.

Institutional Closure Without Approved Provisional Plan or Teach-Out Agreement

In the event of an institutional closure without an approved provisional plan or an approved teach-out agreement, HLC shall work with the U.S. Department of Education, the appropriate state agency, if any, and any applicable recognized accreditor, to the extent feasible, to assist students in finding reasonable opportunities to complete their education without additional charges.

Failure to Comply With Teach-Out Policy

An institution that does not comply with this policy as required may be subject to further action in accordance with HLC policy for noncompliance with HLC requirements.

Policy History

Last Revised: February 2025

First Adopted: June 2008

Revision History: revised February 2009, February 2010, November 2010, August 2016, June 2017, June 2020, November 2020, November 2021, February 2022, June 2022, February 2023, November 2023, February 2025

Notes: Policies combined November 2012: 3.9, 3.9(a), 3.9(b), 3.9(c), 3.9(d). In February 2021, references to the Higher Learning Commission as “the Commission” were replaced with the term “HLC.”

Adopted Teach-Out Policy With Markup

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**). Wording that was moved is shown with a double underline in its new location (moved to) and a double strikethrough in its previous location (~~~~moved from~~~~). Changes between first and second reading, other than minor editing, are indicated in italics (*new wording, old wording*).

Policy Title: HLC Approval of Institutional Teach-Out Arrangements
Number: FDCR.B.10.010

HLC approval of various aspects of an institution’s teach-out arrangements shall be required when an institution must teach-out one or more students, **or when a provisional plan is otherwise required.**

~~Institutional Situations Requiring Submission of Provisional Plans for Approval~~ **When a Provisional Plan Is Required, With or Without Teach-Out Agreements**

In some circumstances, an institution shall be required to submit a written provisional plan to HLC for review and approval. In some circumstances, an institution shall also be required to submit at least one teach-out agreement in conjunction with that provisional plan to HLC for review and approval.

An institution is required to promptly contact HLC through its HLC staff liaison if it becomes aware of or anticipates any of the circumstances listed in this policy that would require a provisional plan, with or without teach-out agreements.

Circumstances Requiring a Provisional Plan

An institution shall be is required to submit a written Pprovisional Pplan for review and approval in any of the following circumstances:

- ~~1. the U.S. Department of Education notifies HLC of an emergency action, or a limitation, suspension or termination or similar action against the institution;~~
- ~~2. 1. ¶The U.S. Department of Education notifies HLC of a determination by a non-profit or proprietary institution’s independent auditor expressing doubt regarding the institution’s ability to operate as a going concern or indicating an adverse opinion or a finding of material weakness related to *such the* institution’s financial stability;~~
- ~~3. 2. ¶The U.S. Department of Education notifies HLC determines that the institution is participating required to participate in Title IV, HEA programs under a provisional program participation agreement and is required to have a teach-out plan (provisional plan) as a condition of participation;~~
- ~~4. HLC is notified that the U.S. Department of Education has placed the institution on the Reimbursement payment method or Heightened Cash Monitoring 2 payment method under federal regulations;~~
- ~~5. 3. HLC grants candidacy to an institution.~~
- ~~4. ¶ HLC places an institution on Probation or issues a Show-Cause Order to the institution. ¶ acts to withdraw, terminate or remove the status of an institution;~~
- ~~6. the institution notifies HLC that it intends to cease or remove operations entirely or permanently close an additional location where it offers at least 100% of either a Certificate or degree program before all students have completed their program of study, including if the additional location is being moved and is considered by the U.S. Department of Education to be a closed institution or is an additional location offering one or more Pell-eligible prison education programs, or is another site where 100% of any educational program designed for students who are incarcerated is offered (even if not Pell-eligible);~~
- ~~7. a state licensing or authorizing agency notifies HLC that an institution’s license or legal authorization to provide an educational program in that state has been or will be revoked;~~
- ~~8. 5. HLC staff determines in its sole discretion that closure or suspension of one or more academic educational programs at an institution raises concerns about the well being of students in these programs; ¶ that students in the program(s) will not be able to complete their program of study.~~

9. 6. HLC staff determines that the institution is at risk for a sudden closure or suspension of its operations because it is in financial distress, under governmental investigation, undergoing Change of Control, Structure or Organization, or facing other significant challenges.
7. HLC staff determines in its sole discretion that a provisional plan is otherwise necessary to protect students based on a risk that students will not be able to complete their program of study.

~~Without limitation, an institution is required to immediately contact HLC through its HLC staff liaison if it anticipates any of the above occurrences or any other circumstance that will jeopardize currently enrolled students' ability to complete their programs of study as originally anticipated.~~

Circumstances Requiring a Provisional Plan and Teach-Out Agreements

In general, it is necessary for an institution to enter into teach-out agreements if: (a) it is anticipated that the institution will need to rely on the assistance of one or more institutions (each then referred to as a teach-out receiving institution) to teach-out students prior to its closure as an academic institution, closure of a branch campus, or *closure of an additional location at which 100% of an educational program is offered* (if not within a reasonable distance from the institution's other branch campuses or additional locations), or the discontinuation of an educational program(s); (b) it is anticipated that the institution's planned closure date for *any branch campus or any additional location at which 100% of an educational program is offered*, ~~or for any branch campus~~, predates the anticipated graduation date for any number of students pursuing their program(s) of study at that *branch campus or additional location* ~~or branch campus~~; or (c) it is anticipated that the institution's loss of eligibility for Title IV funds will result in some students being unable to complete their program(s) at that institution even if the institution itself will continue to operate.

An institution shall be required to submit a written provisional plan and, if practicable, at least one teach-out agreement in conjunction with that provisional plan, to HLC for review and approval in any of the following circumstances:

(list continued from above)

8. Any of the circumstances described in (1)-(7) above, if HLC staff determines in its sole discretion that teach-out agreements are necessary to protect students based on a risk that students will not be able to complete their program of study as described above.
1. 9. ~~¶~~ The U.S. Department of Education notifies HLC of initiates an emergency action, or a limitation, suspension, or termination or similar action against the institution;

- ~~4.~~ 10. ~~HLC is notified that~~ The U.S. Department of Education has placed **places** the institution on the Reimbursement payment method or Heightened Cash Monitoring 2 payment method, ~~under federal regulations;~~
11. ~~HLC or~~ acts to withdraw, terminate or remove the status of an the institution's accreditation or candidacy.;
- ~~6.~~ 12. ~~The institution notifies HLC that it intends to cease or remove~~ close or otherwise suspend, cease or remove operations entirely.
13. ~~or~~ The institution notifies HLC that it intends to permanently close *a branch campus or* an additional location where it offers at least 100% of ~~either a~~ *at least one* ~~C~~certificate or degree program before all students have completed their program of study, including if the *branch campus or* additional location is being moved and is considered by the U.S. Department of Education to be a closed institution.
14. ~~or is~~ The institution notifies HLC that it intends to permanently close an additional location offering where it offers one or more Pell-eligible prison education programs, or ~~is~~ another site where it offers 100% of any educational program designed for students who are incarcerated ~~is offered~~ (even if not Pell-eligible);.
- ~~7.~~ 15. a A state licensing or authorizing agency notifies HLC that **revokes or indicates that it will revoke** an institution's license or legal authorization to provide an educational program in that state ~~has been or will be revoked;~~

HLC Requirements for Provisional Plans

~~The institution shall submit the~~ **A P**rovisional **P**lan submitted to HLC for review and approval; the plan must meet the following minimum requirements: **Additional information is available in "Provisional Plans and Teach-Outs Agreements: Information for Institutions and Peer Reviewers Overview of HLC's Teach-Out Requirements."**

1. The ~~P~~rovisional ~~P~~lan provides for equitable treatment of students by ensuring that they are able to complete, **within a reasonable period of time**, the educational program in which they were enrolled immediately prior to the situation requiring submission of a ~~P~~rovisional ~~P~~lan ~~within a reasonable period of time;~~
- ~~2.~~ The Provisional Plan provides for prompt notification of additional costs to students, if any;
- ~~3.~~ The Provisional Plan contains:

- ~~a. A complete list of currently enrolled students (redacting personally identifiable information) in each affected program at the institution, and the program requirements each student has completed;~~
- ~~b. A complete list of the academic programs offered by the institution, and the names of other institutions that offer similar programs that could potentially enter into a Teach-Out Agreement with the institution;~~
- ~~c. A communication plan that provides all potentially eligible students with information about how to obtain a closed school discharge and, if applicable, information on state refund policies;~~
- ~~d. A record retention plan to be provided to all enrolled students that delineates the final disposition of teach-out records (e.g., student transcripts, billing, financial aid records);~~
- ~~e. Information on the number and types of credits any teach-out receiving institution is willing to accept prior to the student's enrollment; and~~
- ~~f. A clear statement to students of the tuition and fees of the educational program and the number of types of credits that will be accepted by each teach-out receiving institution.~~

~~b. 2.~~ **The provisional plan includes a A complete list of the academic educational programs offered by the institution;**

~~a. 2.~~ **3. The provisional plan includes a A complete list of currently enrolled students (redacting with personally identifiable information redacted) in each affected educational program at the institution, and the program requirements each student has completed;**

4. The provisional plan includes a complete list of all recognized programmatic accreditors and state licensing agencies with which the institution has a relationship, as well as the status of any educational program *holds* with such entities.

5. ~~and~~ The provisional plan includes the names of at least one other institutions that offer similar programs that could potentially enter into a Teach-Out Agreement with the institution because *they the other institution* offers educational programs that are reasonably similar in content, delivery modality and scheduling to affected educational programs at the institution;

- ~~e~~ 6. The provisional plan includes a ~~A record retention plan to be provided to all enrolled students that delineates the final disposition of teach-out student records (e.g., student transcripts, billing, financial aid records);~~
7. The provisional plan includes a plan for financial aid advising, academic advising and other appropriate academic assistance (including, as applicable, information for students who transfer).
- ~~e~~ 8. The provisional plan includes a ~~A communications plan that, at minimum:~~
 - a. Provides all affected students with a summary of the provisional plan and, if the provisional plan includes teach-out agreements, with a summary of the teach-out agreements, as applicable to the affected students.
 - b. ~~p~~Provides all potentially eligible students with information about how to obtain a closed school discharge and, if applicable, information on state refund policies;.

~~Institutions preparing Provisional Plans are required to ensure that they comply with HLC's Teach-Out Requirements prior to submitting them for approval.~~

~~Note: If a closing institution plans to teach out its own students, the period for teach out shall typically not exceed 12–18 months, particularly in cases where there are other institutions in the area that offer similar programs available to students of the closing institution, unless the closing institution can assure HLC that the closing institution continues to meet all of the Criteria for Accreditation during the extended teach out period.~~

~~HLC Requirements for Teach-Out Agreement~~

HLC Requirements for Teach-Out Receiving Institutions

~~HLC may require that the institution required to submit a Provisional Plan under this policy submit one or more Teach-Out Agreements for HLC's review and approval in conjunction with such Provisional Plan if the institution must rely on the assistance of one or more institutions (each a teach-out receiving institution) to complete the Provisional Plan. A teach-out receiving institution must be accredited by an accreditor recognized by the U.S. Department of Education and, where appropriate, eligible for Title IV financial aid. The teach-out receiving institution must also: be approved by an appropriate state higher education agency and appropriate recognized accreditor(s) to offer the programs offered by the institution closing or suspending operations; have the necessary experience, resources and support services to provide an educational program that is of acceptable quality and reasonably similar in content, structure and scheduling to that provided by the institution closing or ceasing operations; demonstrate that it can provide students~~

~~access to such programs and services without requiring them to move or travel substantial distances and; be stable, carrying out its mission and meeting all obligations to its existing students.~~

An institution that intends to serve as a teach-out receiving institution must meet the following requirements. Additional information is available in *Provisional Plans and Teach-Outs Agreements: Information for Institutions and Peer Reviewers Overview of HLC's Teach-Out Requirements.*"

1. ~~A teach-out receiving institution must be~~ **Be** accredited by an accreditor recognized by the U.S. Department of Education and, where appropriate, eligible for Title IV financial aid.
2. Offer the educational programs covered by the teach-out agreement and, as applicable, ~~be approved by an the appropriate state higher education agency(ies) and appropriate recognized accreditor(s) to offer the educational programs offered by the institution closing or suspending operations;~~ covered by the teach-out agreement.
3. Have similar ~~professional or specialized programmatic~~ accreditation for educational programs covered by the teach-out agreement, if such accreditation is necessary to serve students enrolled in educational programs for which ~~special~~ licensure or certification requirements apply.
4. ~~h~~**H**ave the necessary experience, resources and support services to provide an educational program that is of acceptable quality and reasonably similar in content, ~~structure~~ **delivery modality** and scheduling to that provided by the ~~current institution closing or ceasing operations;~~ **current** institution.
5. **Be willing to modify, as appropriate, admissions requirements and residency requirements for affected students.**
6. ~~d~~**D**emonstrate that it can provide students access to ~~such~~ **applicable educational programs and services without requiring them to move or travel substantial distances or durations.**
7. **Have the capacity to** ~~be stable, carrying out its mission and meeting all obligations to its existing students.~~
8. **Not be subject to any of the** ~~An institution affected by circumstances that would require it to submit a P~~rovisional ~~P~~lan ~~under~~ pursuant to this policy or applicable regulations.
9. **Not be** ~~that is under investigation, subject to an action, or being prosecuted for an issue related to academic quality, misrepresentation, fraud, or other severe matters by a law enforcement agency is not eligible to serve as a teach-out receiving institution.~~

~~HLC also reserves the right to disqualify any institution as a potential teach-out receiving institution based on its determination that the institution does not have the capacity to serve as a teach-out receiving institution based on these circumstances or other risk factors it identifies.~~

~~Any An HLC institution accredited and in good standing with HLC that enters into a Teach-Out Agreement with intends to serve as a teach-out receiving institution to another institution, regardless of whether the latter other institution has presented submitted a Pprovisional Pplan to HLC, or is itself accredited by HLC, shall notify must inform HLC of its intended participation in the teach-out intent to serve as a teach-out receiving institution prior to its implementation of a teach-out agreement.~~

HLC Requirements for Teach-Out Agreements

~~A Teach-Out Agreement that is submitted to HLC for review and approval must meet the following minimum requirements. Additional information is available in “Provisional Plans and Teach-Outs Agreements: Information for Institutions and Peer Reviewers Overview of HLC’s Teach-Out Requirements.”~~

- ~~1. The Teach-Out Agreement contains an affirmation that it is consistent with all applicable state and federal regulations;~~
- ~~2. 1. The Teach-Out Agreement is fair and equitable to students.~~
- ~~2. and The teach-out agreement provides students with reasonable opportunities to complete their program of study, education without additional charges and includes a notification provision to ensure that students have complete information about the tuition and fees of the teach-out receiving institution;~~
- ~~3. The Teach-Out Agreement must include a live link to a downloadable copy of the applicable Provisional Plan and a commitment from a teach-out receiving institution to be familiar with the requirements of the Provisional Plan;~~
- ~~3. The teach-out agreement clearly states the time period for which it is applicable.~~
- ~~4. The Teach-Out Agreement contains an affirmation that it is consistent with all applicable state and federal regulations;~~
- ~~6. 5. The teach-out agreement identifies which educational programs are within the scope of the teach-out agreement.~~

- ~~5.~~ 6. The teach-out agreement identifies which categories of students are within the scope of the teach-out agreement.
4. 7. The ~~T~~teach-Out Agreement ~~must contemplate (a) a firm commitment to~~ **includes** a specific **complete** list of **currently enrolled** students ~~who are currently enrolled (with personally identifiable information redacted)~~ in ~~one or more~~ **each affected educational** programs at the institution ~~requiring the teach-out receiving institution's assistance and (b), indicating the program requirements such students have~~ **each student has** completed and the number and types of credits the teach-out receiving institution is willing to accept prior to each student's enrollment;
- ~~5.~~ The Teach-Out Agreement ~~must include a plan to provide all potentially eligible students with information about how to obtain a closed school discharge and, if applicable, information on state refund policies;~~
- ~~6.~~ The Teach-Out Agreement ~~must include information on the number and types of credits the teach-out receiving institution is willing to accept prior to each student's enrollment;~~
7. 8. The ~~T~~teach-Out Agreement ~~must make a clear statement to students of~~ **includes information** on the tuition and fees of the educational program(s) ~~and the number and types of credits that will be accepted by~~ at the teach-out receiving institution, **including any additional charges.**
9. The teach-out agreement includes a records retention plan that delineates the final disposition of student records.
10. The teach-out agreement includes a communications plan that, at a minimum:
 - a. Provides all affected students with information about the time period for which the teach-out agreement is applicable.
 - b. Provides all affected students with information on which students are within the scope of the teach-out agreement, including the number and types of credits the teach-out receiving institution is willing to accept prior to each student's enrollment.
 - c. Provides all affected students with a clear statement of the tuition and fees of the educational program(s), including any additional charges.
 - d. Provides all affected students with information regarding the records retention plan.

- e. **Provides** all potentially eligible students with information about how to obtain a closed school discharge and, if applicable, information on state refund policies.

Approval of Teach Out Receiving Institutions Accredited by HLC

~~Any institution accredited and in good standing with HLC that enters into a Teach Out Agreement with another institution, regardless of whether the latter institution has presented a Provisional Plan to HLC or is accredited by HLC, shall notify HLC of its intended participation in the teach out prior to its implementation so that HLC may determine whether the accredited institution has the capacity to undertake its responsibilities under the teach out, is not on sanction with HLC, and has already in place the necessary approvals from HLC and other entities to offer the necessary programs. For the avoidance of doubt, only the institution required to submit a Provisional Plan for approval under this policy is responsible for submitting any applicable Teach Out Agreement.~~

~~HLC staff shall review and may act to approve additional teach out receiving institutions' participation in a teach out arrangement, or the participation of an HLC member in a teach out arrangement required by a non-HLC institution. An institution affected by circumstances that would require it to submit a Provisional Plan under this policy or that is under investigation, or being prosecuted for an issue related to academic quality, misrepresentation, fraud, or other severe matters by a law enforcement agency is not eligible to serve as a teach out receiving institution. HLC also reserves the right to disqualify any potential teach out receiving institution based on other risk factors it identifies.~~

HLC Approvals Related to Teach Out

~~Where HLC is approving a teach out plan for an academic program or where HLC is approving an institution's participation as a teach out receiving institution, HLC staff may act to review and provide approval; have the authority to take the following actions related to teach-out arrangements:~~

1. ~~a~~Approve additional teach out receiving institutions' the participation of additional teach-out agreements in a teach-out arrangement after an HLC decision-making body has approved the provisional plan associated with those teach-out agreements.
2. **Approve** the participation of an HLC member institution as a teach-out receiving institution in a teach-out arrangement required by for a non-HLC member institution.

HLC staff may request at any time that an institution submit a new provisional plan based on changes in circumstances.

~~a~~All other necessary HLC approvals related to teach-out arrangements shall be provided by an HLC decision-making body of HLC recognized by the U.S. Department of Education, unless otherwise permitted in HLC policy.

If HLC approves a ~~P~~rovisional ~~P~~lan or ~~T~~each-~~O~~ut ~~A~~greement that includes an educational program accredited by another recognized accreditor, HLC shall notify that accreditor as provided for in HLC policies.

~~Institutional Closure Without Approved Provisional Plan or Teach-Out Agreement; Failure to Comply With Teach-Out Policy~~

In the event of an institutional closure without an approved ~~P~~rovisional ~~P~~lan or an approved teach-out agreement, HLC shall work with the U.S. Department of Education, the appropriate state agency, if any, and any applicable recognized accreditor, ~~in the event any member institution closes without a Provisional Plan approved by HLC,~~ to the extent feasible, to assist students in finding reasonable opportunities to complete their education without additional charges.

Failure to Comply With Teach-Out Policy

An institution that does not close entirely, but that fails to comply with HLC Teach-out this policy when otherwise as required, may be subject to ~~sanction~~ further action in accordance with HLC policy for noncompliance with HLC requirements.

Policy History

Last Revised: February 2025

First Adopted: June 2008

Revision History: revised February 2009, February 2010, November 2010, August 2016, June 2017, June 2020, November 2020, November 2021, February 2022, June 2022, February 2023, November 2023, February 2025

Notes: Policies combined November 2012: 3.9, 3.9(a), 3.9(b), 3.9(c), 3.9(d). In February 2021, references to the Higher Learning Commission as “the Commission” were replaced with the term “HLC.”

Adopted Changes to Related Policies

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**). Wording that was moved is shown with a double underline in its new location (moved to) and a double strikethrough in its previous location (~~~~moved from~~~~). Changes between first and second reading, other than minor editing, are indicated in italics (*new wording, old wording*).

Policy Title: Obligations of Membership
Number: CRRT.D.10.010

While seeking and holding membership with HLC, an institution voluntarily agrees to meet obligations set forth by HLC as follows:

...

- 10. Whenever the institution is required to submit a provisional plan, ~~the institution notifies applicable constituents whenever HLC has required it to submit a Provisional Plan for approval, and provides an accurate explanation~~ stakeholders as to the rationale for that ~~provisional plan~~ and provides stakeholders with a summary of the provisional plan as applicable to them.**

...

Policy Title: Staff Authority
Number: COMM.B.10.020

Staff Authority for Certain Actions Related to an Institution's Relationship With HLC

HLC staff have authority to take the following actions:

...

~~11. Approve the addition of a permanent location at a site at which the institution is conducting a teach-out for students of another institution that has ceased operating before all students have completed their program of study.~~

- 11. Approve the participation of additional teach-out receiving institutions agreements in a teach-out arrangement after IAC has approved the institution's ~~provisional plan~~ associated with those teach-out agreements.**

~~13.~~ **12.** Approve the participation of an HLC member as a teach-out receiving institution in a teach-out arrangement ~~required by~~ **for** a non-HLC **member** institution.