



# STUDENT CONSUMER PROTECTION

## Policy Change Adopted on Second Reading

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The Higher Learning Commission's (HLC's) Board of Trustees adopted this policy on second reading at its meeting on November 2–3, 2017.

### Background

In recent years, there has been an increased focus at the state and federal levels on protecting students from aggressive or unfair marketing and recruiting practices at institutions. A core value of voluntary accreditation as provided by HLC and as reflected in the spirit of the current Assumed Practices is that institutions should treat students honestly and fairly. The adopted policy is generally built on that core value and on the Assumed Practices, and is intended to set a policy expectation for appropriate and honest interactions between institutions and prospective or current students. As is typical with all standards and policies of HLC, the policy does not prescribe specific approaches to ensure compliance, but rather leaves the specific approach to the discretion of the institution, with the understanding that HLC will exercise its judgment, when appropriate, in determining whether the specific approach adopted by the institution meets the spirit and expectations of the policy.

The policy change was circulated to the membership and other interested parties after the Board's June meeting. HLC received 14 comments. These comments primarily centered on two areas: the publication of job placement rates and the contents of the enrollment agreement used by some institutions.

With regard to job placement rates, institutions may choose to publish job placement rates; some institutions may be required to do so by legal requirements or those of specialized accreditors that may also specify a methodology for such calculation. Nothing in these policies requires that an institution publish job placement rates, follow a specific methodology or vary from a required methodology established by other authorities. However, if an institution publishes such rates by choice or by requirement they must ensure that rate is accurate and meets the expectations of this policy. If, for example, an institution publishes for recruiting

purposes job placement data based on a survey to which a small number of students respond, any publication of a rate from such data should clearly indicate that the rate is based on a limited number of students who responded to a survey. This explanation ensures that students will understand the rate and its limitations. Similarly, any publication of salary information should include the source of such information and other relevant information necessary for students to understand and evaluate the information. All such explanatory information should be clear and published proximate to the job placement, salary or other data.

With regard to the enrollment agreement, institutions may choose to use an enrollment agreement or may be required to do so by state law. Nothing in the adopted policy forbids the use of such an agreement or requires a departure from the expectations of state law. However, the policy indicates that an institution may not have a clause in the agreement that limits the ability of students to file a complaint with the state agency or with HLC or other accrediting body. Some states may require that a student exhaust all remedies within the institution before filing a complaint with the state. While HLC encourages students to work with the institution to resolve any issues, HLC does not require exhaustion. The enrollment agreement cannot limit a student's ability to approach either the state or HLC, and those entities will respond to the student as appropriate based on their policies. With regard to legal remedies, the adopted policy makes clear that an enrollment agreement can include language asking students to work with the institution to resolve disputes through mediation or arbitration prior to taking legal action, but that the enrollment agreement cannot foreclose other legal remedies if the dispute can't be resolved through voluntary mediation or arbitration. Of course, any mediation or arbitration process should be conducted by an appropriate professional acceptable to the student and to the institution and who is regarded by both parties as appropriately objective. Institutions should continue to work with complaining students to avert litigation or to avert complaints with external agencies where possible, but cannot use the enrollment agreement to limit students' ability to take those actions if the students ultimately believe such action is necessary.

## Implementation

This policy is effective September 1, 2019. This extended implementation period allows institutions time to make any necessary changes in policy or procedure prior to the requirements becoming effective. The policy presumes that the primary mechanism for transmitting information to students is through the institution's website. However, an institution may transmit information to students in other ways in addition to its website.

This policy will function similarly to the Assumed Practices or policies of HLC other than the Criteria for Accreditation or Federal Compliance Requirements. HLC will not regularly evaluate an institution's

compliance with such policies, but will evaluate such compliance if HLC receives a complaint or other information that indicates an institution may not be following them. The final paragraph of the policy explains how it will be applied in greater detail.

## Adopted Policy

Changes between first and second reading, other than minor editing, are indicated in bold italics (*new wording*). This policy will be added to HLC's Policy Book at [hlcommission.org/policies](http://hlcommission.org/policies) when it goes into effect on September 1, 2019. Until then, information about this pending policy revision will be available at [hlcommission.org/adopted-policies](http://hlcommission.org/adopted-policies).

Policy Title: Recruiting, Admissions and Related Institutional Practices

Number: CRR.T.C.10.010

1. The institution treats students ethically, respectfully and professionally in the marketing, recruiting and admissions process so that students can make an informed enrollment decision without being subjected to high-pressure tactics from the institution or a related contractor.
2. All institutional recruiters and admissions personnel have appropriate education, job titles, and training from the institution for their role and are overseen by the institution, which enforces a formal code of conduct for all such personnel; the institution also oversees any third-party contractors who provide recruiting and admissions services and assures that any personnel who work with their prospective students have similar education, *and* experience ~~and training~~ as personnel employed by the institution and ~~follow a similar code of conduct are trained by the institution to provide a similar level of service.~~
3. Information provided to prospective students in the recruiting and admissions process is accurate, complete and up-to-date and is provided to all prospective students without any requirement that such students provide contact information to receive basic information about the institution. The institution also makes its policies related to consumer protection accessible and transparent.
4. The institution also promptly honors any request from such student to remove that student's name from phone, email or other contact lists; student information collected through the admissions, recruiting or lead process will ~~not be shared or sold to any other entity without the student's explicit consent~~ be maintained as outlined in the institution's data privacy policy, which *must be prominently posted on the institution's website.*

5. Any job placement, salary information, or other student outcome data publicized as part of the recruiting process are based on all students in a cohort or class who completed the program; completing students are not excluded from the published data because they did not utilize the institution's career, advising or other services; an institution will maintain back-up documentation related to any such publicized outcome data and will make that back-up data available to HLC, the public or governmental agency upon request. If an institution publicizes for recruiting purposes outcome data based on student survey or other partial information about a cohort or class of students, it will indicate clearly wherever it publicizes the rate the number of students in the cohort or class and the number of students whose outcome data is included; *if job placement or other related data are drawn from an external database, economic forecasting or other source, the institution will indicate in conjunction with the publication of the data its source and will direct students to the original source of the information where applicable (e.g., Department of Labor website).*
  
6. Institutional recruiters, admissions officers or appropriate third parties may answer questions about the student application process for admissions and financial aid, but in no case will such personnel complete these applications or apply the signature of the prospective student.
  
7. ~~Any~~ *If an institution requires a student to sign an enrollment agreement ~~with the student~~, the enrollment agreement* will be limited to basic information about a student's course of study, tuition and fees, and other related information and in no case will that agreement include any language: ~~(1) limiting that student's ability to: (1) file a complaint with an accrediting or state agency; (2) requiring the student to agree to pre-dispute resolution processes; or (3) limiting the student's ability~~ (2) take legal action *in the event that any dispute resolution processes agreed to by the institution and the student are unsuccessful in resolving the dispute to the satisfaction of the parties;* or (3) seek to discharge a student loan through remedies available to borrowers under state or federal law. Students will be provided sufficient time, *as determined by the situation and any mandates in state law, (at least 15 days)* to review any enrollment agreement and to consult with others as a part of that review process before being required to sign the document or lose an offer of admission and related financial assistance.
  
8. Students will have the right and responsibility to register for each academic term in which they are enrolled, and in no case will the institution automatically register a student in the next term without that student's affirmative consent to such registration or the opportunity for the student to cancel that registration before the student is assessed tuition or fees for that term.

9. Prior to enrolling a prospective student in a program or major, the institution should ensure that the student has had sufficient time to review the institution's policies and procedures, to understand the amount of federal, state and institutional financial aid the student *will likely is eligible to* receive, and to learn how many credits, if any, will transfer and whether they will be applied to requirements of the major or general education or the process and timeline for evaluation of those credits; in no case will the institution use high-pressure tactics to get a student to enroll or matriculate before it provides this basic information.
10. The institution shall not induce or pressure a student to enroll by a specific deadline with the promise of cash or free goods or services outside of the regular process of scholarship monies, institutional discounting, fee waivers, financial aid or other assistance; an institution shall not promise that employment is being directly or indirectly offered or is more likely related to its education or provide any guarantees of employment related to that education.
11. In addition to a policy related to return of Title IV funds, the institution has a refund policy to assure that students receive a refund where appropriate if they withdraw from an academic term or from an institution.

HLC may look into an allegation of a violation of the student consumer protection policies during an evaluation visit, through the complaint process, or through any other appropriate mechanism. An institution that has engaged in violations of HLC policy on student consumer protection, as outlined in this policy, shall be considered to be in violation of Commission standards related to institutional integrity and may be found to be in violation of other Commission standards as well, and may also be subject to Commission sanctions or withdrawal of accreditation as outlined in those policies.

### **Policy Number Key**

*Section CRRT: Criteria and Requirements*

*Chapter C: Student Protection*

*Part 10: General*

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*Last Revised: November 2017*

*First Adopted: November 2017*

*Revision History: November 2017*

*Notes:*