

Key to Changes: ~~deleted~~, ~~added~~

Policy on Commission Budget Development

Introduction

Under federal law, the ABHE Commission on Accreditation must be separate and independent of any related, associated, or affiliated trade association or membership organization. As a means for ensuring appropriate separation and independence, the Commission must develop and determine its own budget, with no review or consultation with any other entity or organization. To further ensure appropriate separation and independence, the Commission must pay fair market value for its proportionate share of any personnel, services, equipment or facilities jointly used by the Commission and the ABHE membership association.

To a certain extent, Commission decisions drive its budget. The numbers of institutions accepted into applicant status have a budgetary impact by determining the numbers of institutions pursuing the accreditation process. These decisions impact the demand for consultative visits held each year. They also impact the numbers of institutions to be assessed. The Commission also determines the acceptance or rejection of institutions into candidacy or accredited status, and the award of team visits for those institutions seeking initial accreditation. These decisions also impact the budget. (The visits scheduled for reaffirmation of accreditation are determined automatically by Commission procedures.) Despite the budgetary impact of these decisions, the Commission will base its decisions on educational quality considerations, not the budgetary implications of positive or negative decisions. The Commission has the right to autonomously set fees for the various activities related to the accreditation process. It also has the right to establish an assessment fee for each student enrolled in a member institution. Through these mechanisms, the Commission will ensure that its budgetary needs are met.

Procedure

- ~~1. The ABHE Director, Commission on Accreditation serves as the professional staff member who provides direct support to the Commission on Accreditation. The Director, Commission on Accreditation will, working in conjunction with the Commission officers, make projections regarding the following:~~
 - ~~a. The number of team visits to be held during the budget cycle~~
 - ~~b. The number of consultation visits to be held during the budget cycle~~
 - ~~c. The numbers of institutions that will submit requests for applicant status~~
 - ~~d. The numbers of institutions that will be granted applicant status~~
 - ~~e. The enrollments among institutions related to the accreditation process~~
- ~~2. The ABHE Director, Commission on Accreditation will also, in collaboration with Commission officers, make projections regarding the Commission's expenses with special attention to the direct costs of the Commission's activities and an appropriate share of the costs, based on market values, for personnel, services, equipment and facilities of assets used jointly by both the~~

~~Commission and the larger membership association.~~

- ~~3. On the basis of these considerations, under the supervision of the Commission officers, the Director, Commission on Accreditation will prepare a preliminary budget. This budget will be submitted to the officers of the Commission for review.~~
- ~~4. After reviewing the preliminary budget, the officers will make any recommendations for refinements they deem necessary.~~
- ~~5. The officers will also review the fee schedules for the various accreditation services, as well as the assessment to be levied for each full time equivalent student enrolled. They will recommend such adjustments as necessary to ensure that the Commission can operate on a sound basis financially.~~
- ~~6. The Director, Commission on Accreditation will prepare appropriate documents to reflect the work completed throughout steps one through five and circulate them to the entire Commission at least one month prior to its February meeting, soliciting feedback from the Commission on the proposals.~~
- ~~7. The Director, Commission on Accreditation will compile any feedback received from Commissioners and distribute it among the Commission officers to obtain their recommendations regarding adjustments that may be necessary to either the fee structure or the preliminary budget.~~
- ~~8. Once adjustments have been incorporated, a refined draft of the budget will be submitted to the Commission for consideration at its regular meeting. Action taken on the budget will include approval of all fees related to enrollments and the accrediting process.~~
1. The Commission on Accreditation will review initiatives and plans that have potential impact on Commission finances for the next fiscal year at the Fall Commission meeting conference call and provide guidance to the Director, Commission on Accreditation, for budget development.
2. The Director, Commission on Accreditation, will prepare a preliminary budget and fee schedule, and circulate these to Commission Officers for feedback prior to the February Commission meeting. The preliminary budget will take into consideration Commission initiatives, projected membership dues revenue, and the anticipated number of team visits, staff consultation visits, and applications for the next fiscal year, as well as projected general operating expenses. The Director will revise the preliminary budget and fee schedule based on feedback from Commission Officers.
3. The preliminary budget and fee schedule will be presented to the Commission on Accreditation for discussion at the February Commission meeting. The Director, Commission on Accreditation, in consultation with Commission Officers, will make revisions as appropriate based on the Commission discussion and circulate a final proposal prior to the Summer Commission meeting conference call.

4. The Commission on Accreditation will review and adopt a final budget and fee schedule at the Summer Commission meeting conference call. The Commission on Accreditation will act on both Commission budget and schedule of Commission fees, and is the final authority on both Commission budget and Commission fees.
- 9 5. Should it become necessary to make mid-year adjustments in the budget, the Director, Commission on Accreditation will work with the Commission Officers to prepare proposals that will be circulated to the entire Commission for adoption.
- 10 6. In setting fees, the Commission will exercise care to minimize increases and to ensure that there is a reasonable relationship between the value of the services offered and the charges assessed.

Adopted November 2006, [Revision Pending](#)

[Changes Approved by Commission on Accreditation, Released for Public Comment before Adoption, May 6, 2015](#)