Call for Comments – April 2020

PROPOSED CHANGES

Policy on Teach-Out Plans and Teach-Out Agreements

Key to Changes: Delete, Add

For all candidate institutions and when an accredited institution is no longer may not be able to deliver a program to enrolled students as promised, an approved teach-out plan is required to provide for the equitable treatment of affected students. The institution must submit a teach-out plan proposal for review by the appropriate Commission on Accreditation (COA) committee and approval. The proposal must be viable and ensure that enrolled students will have opportunity to graduate from a comparable program.

A teach-out plan is a proposed plan for enrolled students to complete comparable degrees or programs without hardship written plan developed by an institution that provides for the equitable treatment of students if an institution, or an institutional location that provides 100% of at least one program, ceases to operate or plans to cease operations before all enrolled students have completed their program of study. A teach-out agreement is a written agreement between institutions providing for one institution teaching out students from the other institution that provides for the equitable treatment of students and a reasonable opportunity for students to complete their program of study if an institution, or an institutional location that provides 100% of at least one program offered, ceases to operate or plans to cease operations before all enrolled students have completed their program of study. The COA requires a teach-out plan but not a teach-out agreement with another institution.

Planned Changes

Teach-out plans are to be submitted in advance of action in the following circumstances. The institution is not authorized to take action until the teach-out plan has been approved by the appropriate committee of the COA:

1. The institution seeks to close a branch campus or additional location that provides 100% of at least one program (requires a substantive change proposal with teach-out plan).
2. The institution seeks to discontinue all graduate level offerings or all undergraduate level offerings (requires a substantive change proposal with teach-out plan).
3. The institution intends to discontinue an adult degree completion program.
4. The institution intends to discontinue an additional location.
5. The institution intends to close or cease operations.

For planned changes, teach-out plans are reviewed on the following schedule:

<table>
<thead>
<tr>
<th>Proposal Received-by</th>
<th>Commission on Accreditation Decision by</th>
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<tr>
<td>May 15</td>
<td>July 31</td>
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<td>Sept. 15</td>
<td>Nov. 30</td>
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**Note:** For items 1-4 above, the teach-out plan may include a comparable, equitable, and convenient internal alternative for affected students to satisfy program requirements through other deliveries at the institution itself.

**Unplanned Changes**

Teach-out plans are to be submitted within 60 days of any of the following events:

1. The COA places an institution on probation or show cause; or withdraws, terminates, or suspends the accreditation or preaccreditation of the institution.
2. The USDE Secretary notifies the COA that the Secretary has initiated an emergency action against an institution, in accordance with section 487(c)(1)(G) of 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, and that a teach-out plan is required.
3. A State licensing or authorizing agency notifies the COA that an institution’s license or legal authorization to provide an educational program has been or will be revoked.
4. Unexpected closure of the institution.

For unplanned changes, teach-out plans are forwarded by the COA office to the appropriate committee of the COA for review by electronic meeting. The committee will evaluate the viability and acceptability of the plan and either return it to the institution with an explanation of the proposal’s deficiencies and require revisions within 30 days, or approve the plan. Once approved by committee, the proposal will be distributed.
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electronically to the full COA for ratification vote. If the COA does not ratify the decision, it will be remanded back to the committee for further review.

Characteristics of an Acceptable Teach-Out Plan

Although a formal agreement with another institution is not required for this proposal, the institution required to submit a teach-out plan must provide evidence that at least one college or university meets the following qualifications:

1. Able to provide compatibility in content, quality, and calendar between the program(s) of instruction offered by the institution requiring a teach-out plan and the program(s) to be completed at the receiving institution.
2. Accredited by a USDE recognized agency or authorized by the appropriate provincial authority.
3. In good standing with its accrediting agencies (no public sanctions).
4. Able to provide access to the offering(s) without requiring students to move or travel substantial distances.
5. Able to provide federal financial aid commensurate with the aid made available by the institution requiring the teach-out plan.

Additionally, the teach-out plan must provide the following:

1. A description of a notification protocol to be used to notify all affected students of the teach-out plan and any additional charges students will incur.
2. Documentation demonstrating that the cost differential for the students will not be onerous.
3. A strategy for the security, preservation, and accessibility of student records.
4. A protocol for informing current and past students about the means for acquiring official copies of their records.

If the COA approves a teach-out plan that includes a program that is accredited by another recognized accrediting agency, the COA will notify that agency of the approval of the plan.

If an institution holding accredited or candidate (preaccredited) status with ABHE enters into a teach-out agreement (written agreement between institutions providing for one institution teaching-out students from the other institution), the teach-out agreement must also be approved by the COA following the process outlined above. The agreement must be consistent with the requirements detailed in the ABHE Policy on
Compliance with U.S. Department of Education Regulations. Note that the COA requires a teach-out plan but not a teach-out agreement with another institution.

Circumstances Requiring a Teach-Out Plan

1. Candidate status – all institutions on candidate status must have a teach-out plan approved as a contingency for the possibility that the institution may not achieve accreditation within the specified time limit. The teach-out plan must ensure students completing the teach-out would meet curricular requirements for professional licensure or certification, if any. It must also include a list of academic programs offered by the institution and the names of other institutions that offer similar programs and that could potentially enter into a teach-out agreement with the institution.

2. The U.S. Secretary of Education notifies the COA of a determination by the institution's independent auditor expressing doubt about the institution's ability to operate as a going concern or indicating an adverse opinion or a finding of material weakness related to financial stability.

3. The COA places the institution on probation or show cause order.

4. The Secretary notifies the COA that the institution is participating in Title IV, Higher Education Act (HEA) Programs under a provisional program participation agreement and the Secretary has required a teach-out plan as a condition of participation.

Circumstances Requiring a Teach-Out Plan and if Practicable, a Teach-Out Agreement

1. The U.S. Secretary of Education notifies the COA that it has placed the institution on the reimbursement payment method under 34 CFR 668.162(c) or the heightened cash monitoring payment method requiring the Secretary's review of the institution's supporting documentation under 34 CFR 668.162(d)(2).

2. The Secretary notifies the COA that the Secretary has initiated an emergency action against an institution, in accordance with section 487(c)(1)(G) of 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.

3. The COA acts to withdraw, terminate, or suspend the accreditation or preaccreditation (candidate status) of the institution.

4. The institution notifies the COA that it intends to cease operations entirely or close a location that provides 100% of at least one program, including if the location is being moved and is considered by the Secretary to be a closed school.
5. A State licensing or authorizing agency notifies the COA that an institution’s license or legal authorization to provide an educational program has been or will be revoked.

**Characteristics of Requirements for an Acceptable Teach-Out Plan**

An acceptable teach-out plan must include the following:
1. A list of currently enrolled students
2. A list of academic programs offered by the institution
3. The names of other institutions that offer similar programs and that could potentially enter into a teach-out agreement with the institution.
4. 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
5. 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).

If a teach-out plan is approved that includes a program or institution that is accredited by another recognized accrediting agency, the COA will notify that accrediting agency of its approval.

**Requirements for an Acceptable Teach-Out Agreement**

An accredited or candidate (preaccredited) institution that is closing is required to develop a teach-out agreement. The COA may require a teach-out agreement in other situations where the prospect of closure is high. An institution may elect to enter into a teach-out agreement on its own. In all of these situations, the teach-out agreement must conform to the requirements in this policy, including approval.

An acceptable teach-out agreement must include the following:
1. A complete list of students currently enrolled in each program at the institution and the program requirements each student has completed.
2. 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
3. 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).
4. Information on the number and types of credits the teach-out receiving institution is willing to accept prior to the student's enrollment

5. A clear statement to students of the tuition and fees of the educational program and the number and types of credits that will be accepted by the teach-out institution.

Requirements for the Receiving Institution in a Teach-Out Agreement

The sending institution in a teach-out agreement is responsible for documenting that the receiving institution is capable of providing a comparable educational credential and equitable treatment of students received through the teach-out agreement. The receiving institution must:

1. 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 institution that is ceasing operations either entirely or at one of its locations; however, while an option via an alternate method of delivery may be made available to students, such an option is not sufficient unless an option via the same method of delivery as the original educational program is also provided.

2. Have the capacity to carry out its mission and meet all obligations to existing students.

3. Demonstrate that it (1) can provide students access to the program and services without requiring them to move or travel for substantial distances or durations; and (2) will provide students with information about additional charges, if any.

An institution cannot be a receiving institution in a teach-out plan or teach-out agreement under the following circumstances:

1. It 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.

2. The institution's independent auditor expresses doubt about the institution's ability to operate as a going concern or indicating an adverse opinion or a finding of material weakness related to financial stability.

3. The institution’s accredditor has placed it on probation or the equivalent.

4. The institution is participating in Title IV, HEA Programs under a provisional program participation agreement and the Secretary of Education has required a teach-out plan as a condition of participation.

Process for Approval
Teach-out plans and teach-out agreements are to be submitted to coa@abhe.org as soon as practicable after identification that a teach-out plan or agreement is needed, but in all instances within not more than 60 days. The COA Substantive Change Officer will review the documentation and approve the proposal, disapprove the proposal, or advise the institution concerning deficiencies in the proposal. The institution will have 30 days to submit a revised proposal. The Substantive Change Officer’s decision will be referred to the appropriate COA committee (Committee on Applicant and Candidate Status for candidate institutions, Committee on Progress Reports and Substantive Change for accredited institutions) at the next scheduled meeting for ratification. The institution may proceed with the teach-out plan or agreement once the Substantive Change Officer has approved the proposal. The COA may require subsequent reporting or clarification. If the institution disagrees with the Substantive Change Officer’s decision, the matter will be referred to the appropriate COA committee for review at the next scheduled meeting.

An institution must provide the COA with copies of all notifications from the institution related to the institution’s closure or to teach-out options to ensure the information accurately represents students’ ability to transfer credits and may require corrections.

If an institution holding accredited or candidate (preaccredited) status with ABHE the COA closes without a teach-out plan or agreement, the COA will work with the U.S. Department of Education and the appropriate state/provincial agency, to the extent feasible, to assist students in finding reasonable opportunities to complete their education without additional charges.

Adopted February 2011, Revised June 2016, PROPOSED February 2020