

NACCAS Rules of Practice & Procedure
February 2012

Part 8 – Commission Action: Candidate And Accreditation Status

Section 8.0 Who Takes Action

Except for decisions to grant or deny candidate status, which shall be taken by the Executive Director of NACCAS, decisions on schools may only be taken by the full Commission at meetings duly constituted in accordance with the *By-Laws*.

Section 8.1 Effective Date of Commission Decisions

The general rule is that the effective date of a Commission decision is the date on the letter notifying the institution of that decision. The effective date will be some other date for the following decisions:

- (a) A school seeking initial accreditation or provisional additional location status that is awarded the classification of “Accreditation with Stipulations” ([Section 8.8](#), see page 105) shall not be added to the *NACCAS Directory of Accredited Schools* until all stipulations have been met and all fees have been remitted in a timely manner. The effective date of accreditation will be the date on the notification from NACCAS that the institution has met the stipulations and paid all fees.
- (b) Commission decisions denying or withdrawing accreditation that are appealable but are not appealed, shall become effective 20 days after the institution receives notification of the denial or withdrawal, in accordance with [Section 8.17](#) (see page 111) of these *Rules*.
- (c) In exceptional circumstances, the Commission may establish different effective dates where such action is necessary to serve the equitable interests of the school and the students; provided that in no case will such effective date be retroactive.

Section 8.2 Statuses of Accreditation That May Be Granted

- (a) The status classifications utilized by the Commission for accrediting schools appear below:
 - (1) “Accreditation”;
 - (2) “Accreditation with Recommendations for Improvement”;
 - (3) “Accreditation with Stipulations”;
 - (4) “Accreditation with Reporting Requirement”;
 - (5) “Accreditation on Probation” ;
 - (6) “Denial of Accreditation”; and
 - (7) “Withdrawal of Accreditation”.

The accreditation status awarded is institutional and shall be based upon the institution’s compliance with the *NACCAS Standards and Criteria, Policies*, procedures and other formal accreditation requirements adopted by the Commission.

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- (b) A school in any accredited status classification shall continue in accredited status until such time as the Commission takes an adverse action and the school has exhausted its appeal remedies pursuant to [Part 9](#) (see page 113) of these *Rules*, or has not appealed the decision. One exception: Where the new Owner of an accredited institution does not comply with NACCAS' Change of Control process, the new Owner is deemed to have relinquished accreditation (see [Part 4, Sub-Part 4A.2](#), see page 78).
- (c) The only actions considered to be adverse actions, and therefore appealable pursuant to [Part 9](#) (see page 113) of these *Rules*, are actions to deny or withdraw accreditation, remove from candidate status or deny approval of a change.

Section 8.3 **Basis for Status Decisions**

- (a) The Commission's decision concerning an institution's accreditation status shall be based upon the Commission's review of the institution's records, which shall include all of the following that apply:
 - (1) Application (for Initial Accreditation, Renewal of Accreditation or change);
 - (2) Institutional Self-Study;
 - (3) On-Site Evaluation Visit Report;
 - (4) Additional relevant information solicited by the Commission from the chief executive officer of the school and/or the on-site visit team Chairperson when such information is needed to clarify a Visit Report;
 - (5) Response to the Visit Report;
 - (6) Annual report information;
 - (7) Complaints;
 - (8) Information from government entities and other third parties;
 - (9) Actions by other recognized accrediting agencies;
 - (10) Any other materials determined by the Commission to be relevant and trustworthy, including comment from interested parties.

Wherever information from third parties is included in the record which may lead to an adverse status decision, the school shall have an opportunity to respond before the decision is final.

- (b) In considering the appropriate action to take on an institution or program, the Commission shall take into account actions by other recognized accrediting agencies which have denied accreditation or reaccreditation status to the institution or program, have placed the institution or program on public probationary status, or have revoked the accreditation or reaccreditation status of the institution or program.

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- (c) If another recognized accrediting agency places an institution or the principal program offered by such institution on public probationary status or revokes the accreditation of the institution or principal program within an institution, NACCAS shall promptly review the accreditation or reaccreditation status it has previously granted to that institution to determine if there is cause for it to withdraw or otherwise alter that status consistent with the “show cause” procedures outlined in [Part 7](#) (see page 98) of these *Rules*.
- (d) NACCAS shall not renew the accreditation of any institution for which the Commission has received information from an appropriate State agency, or another accrediting agency, showing that the institution is subject to any of the following actions:
 - (1) An interim action by a recognized institutional accrediting agency potentially leading to the suspension, revocation, or termination of accreditation;
 - (2) A threatened loss of accreditation and the due process procedures required by the action have not been completed;
 - (3) An interim action by a State agency potentially leading to the suspension, revocation, or termination of the institution’s legal authority to provide postsecondary education;
 - (4) A threatened suspension, revocation, or termination by the state of the institution’s legal authority to provide postsecondary education, and the due process procedures required by the action have not been completed.

If the Commission grants initial accreditation or reaccreditation to an institution notwithstanding the threatened, interim or final adverse actions taken against the institution by another recognized institutional accrediting agency or State agency, the Commission shall provide the Secretary of the U.S. Department of Education, within 30 days of such action, with a thorough explanation, consistent with the Commission’s accreditation standards, why the previous action by the institutional accrediting agency or State does not preclude the Commission’s action.

Section 8.4 **Consideration of Applications and Other Matters**

- (a) Applications will be considered by the Commission at its regularly scheduled meetings which are held at least two times a year. In order for an application, response to visit report, or other document related to an accreditation process to be included in the record considered by the Commission, it must be received at least 30 days before the start of the meeting of the Commission or committee for which the matter is an agenda item. Any document received late will be considered only at the discretion of the Commission.

After the required due dates pass, whether a school has submitted the required materials for an application or accreditation process, or undergone a required on-site evaluation, the Commission shall consider the record on the matter and take whatever actions it deems necessary under the circumstances, in accordance with this Part.
- (b) The Commission may, in its discretion, consolidate two or more actions involving the same school or affiliated schools, which are pending before the Commission.

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Section 8.5 **Deferral of Action**

- (a) The Commission may defer any action on an application for accreditation, renewal of accreditation or changes if the school does not presently meet the *Standards and Criteria* for accreditation or is not in compliance with a formal accreditation requirement adopted by NACCAS, if it is shown that:
 - (1) The school can make significant progress toward accreditation within a short period of time; and/or
 - (2) There is insufficient information about the school; or
 - (3) The necessary elements of judgment for the Commission to render a decision are lacking.
- (b) The Commission may defer any action within timeframes allowable under [Section 8.18](#) (see page 112) of these *Rules* then shall render a decision based on the information before it.

Section 8.6 **Status: Accreditation**

The Commission may grant periods of accreditation from one to six years. Anniversary dates fall in January, May or September.

- (a) Initial Accreditation: Applicants for initial accreditation that are found to be in compliance with the NACCAS *Standards and Criteria* and other formal policies of the Commission shall be granted accreditation status.
 - (1) Upon the grant of initial accreditation, the institution shall be assigned a permanent, non-transferable, reference number identifier.
 - (2) The maximum period of accreditation for an institution granted accreditation based on an initial application from an Owner with no prior experience as Owner of a NACCAS-accredited institution shall be no more than three (3) years.
- (b) Renewal of Accreditation: Applicants for renewal of accreditation that are found to be in compliance with the NACCAS *Standards and Criteria* and other formal policies of the Commission shall be granted renewal of accreditation status.
 - (1) On renewal the period of accreditation granted to an institution shall be for a maximum of six (6) years, except that if renewal follows an appeal of a non-administrative withdrawal of accreditation, the maximum period of accreditation the Commission may grant is three (3) years.
 - (2) If a school is in the process of renewal of accreditation on the anniversary date of the previous grant of accreditation, accreditation shall continue until the Commission takes action on the renewal application. Any subsequent grant of accreditation shall be counted from the last anniversary date.

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- (c) A school granted accreditation shall have its name listed in the *NACCAS Directory of Accredited Schools* and be issued a Certificate of Accreditation. The school may use the accreditation certificate and emblem and may make statements concerning its accredited status in its catalog, advertising, and other publications in a manner approved by NACCAS.

Section 8.7 Status: Accreditation with Recommendations for Improvement

The classification of “Accreditation with Recommendations for Improvement” shall be granted when the record before the Commission evidences facts that warrant non-binding recommendations for improvement and does not indicate present non-compliance with the *Standards and Criteria* and other accreditation requirements.

Section 8.8 Status: Accreditation with Stipulations

- (a) The classification of “Accreditation with Stipulations” shall be awarded when there is evidence that there are deficiencies in the school’s compliance with NACCAS *Standards and Criteria* or other accreditation requirements that can be corrected within a relatively short period of time, usually forty-five (45) days.
- (b) The determination as to whether a school has complied with a stipulation may be delegated by the Commission to the Executive Director. In those instances when the Executive Director cannot determine whether a school has corrected a stipulation or has reason to believe that the school has failed to comply with a stipulation or cannot determine whether the stipulation is unwarranted, the matter shall be referred to the Commission for decision.
- (c) If a school fails to comply with the stipulations or fails to demonstrate that the stipulations were unwarranted, in the case of applications under [Parts 2](#) (see page 61) and [4](#) (see page 75) of these *Rules*, accreditation shall be denied or withdrawn within the timelines set out in [Section 8.18](#) (see page 112) of these *Rules*, except for good cause.

Section 8.9 Status: Accreditation With Reporting Requirement

- (a) The classification of “Accreditation with Reporting Requirement” shall be granted to schools in any process provided for in these *Rules* when:
 - (1) Financial statements indicate the school is not in full compliance with NACCAS financial standards (see [Standard VII](#), see page 15);
 - (2) A pending action by a government or other entity gives the Commission cause to believe the institution has difficulty continuing to comply with NACCAS financial standards (see [Standard VII](#), see page 15);
 - (3) A school that does not comply with NACCAS standards for graduation, placement, or pass rates on state licensure or certification examinations has submitted a plan for improvement which shows it can come into compliance;

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- (4) The school receives a stipulation under [Section 8.8](#) (see page 105) of these *Rules* for which compliance can best be shown through periodic reporting.
- (b) The Commission shall have the authority to establish the frequency, format, and content of required reports.

Section 8.10 **Status: Accreditation on Probation**

- (a) The Commission shall assign to an institution the accreditation status of “Accreditation on Probation” whenever any one or more of the following events occurs:
 - (1) The institution’s accreditation is withdrawn, with the right to appeal;
 - (2) The institution is within six (6) months of the deadline for showing compliance with NACCAS’ *Standards and Criteria, Rules* and/or other accreditation requirements (collectively, “NACCAS’ Accreditation Requirements”) established by [Section 8.18](#) (see page 112) of these *Rules*;
 - (3) The institution has failed to respond, or to respond adequately, to a Commission show cause order or directive;
 - (4) The Commission has determined that the institution has engaged in fraud; or
 - (5) The Commission has otherwise determined that the institution has failed to comply with one or more of NACCAS’ Accreditation Requirements, and that the noncompliance is sufficiently serious that withdrawal of accreditation is warranted if corrective action is not taken immediately.
- (b) The accreditation status of “Accreditation on Probation” shall not be assigned for any reason other than as set forth in [Section 8.10\(a\)](#), above. The Commission is not required to issue a show cause order to an institution before placing the institution’s accreditation on Probation. The Commission is not required to place an institution’s accreditation on Probation before withdrawing the institution’s accreditation.
- (c) When an institution’s accreditation is placed on Probation:
 - (1) The institution shall be notified of the specific facts that led the Commission to take this action, including any specific findings of noncompliance with NACCAS’ Accreditation Requirements.
 - (2) The Commission shall not approve any substantive changes at the institution or any additional location of the institution: provided, however, that the Commission may approve a Change of Control if, but only if , the institution has made a clear and convincing case that new Ownership will substantially resolve the institution’s compliance problems. Approval of a Change of Control shall not, by itself, result in the institution’s removal from Probationary status.
 - (3) The Commission may require the institution to undergo early renewal.
- (d) An institution shall be removed from Probationary status only upon a determination by the Commission that the institution is compliant with NACCAS’ Accreditation

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Requirements. Such a determination shall be based on actual evidence of compliance. The Commission may obtain such evidence using any investigatory method or monitoring method provided for in these *Rules*, but may not rely on any evidence (a) that is more than six months old or (b) that is contradicted or called into question by more recent evidence.

- (e) An institution whose accreditation is placed on Probation shall remain in the status of Accreditation on Probation until it has shown compliance with NACCAS' Accreditation Requirements. However:
 - (1) The Commission shall take adverse action against the institution, if the institution has failed to show compliance within the time limits established by [Section 8.18](#) (see page 112); and
 - (2) The Commission may establish a deadline for showing compliance that is shorter than the deadline imposed by [Section 8.18](#) (see page 112).

Section 8.11 **Requirements Incorporated into Commission Actions**

- (a) Accreditation with Recommendation for Improvement: The Commission may require an institution granted accreditation with recommendations for improvement to submit periodic reports.
- (b) Deferral, Accreditation with Stipulations, Reporting Requirement, or On Probation: When the Commission defers its decision on an application or process, grants an institution any of these accreditation statuses, or continues an institution's accreditation in any of these statuses following any process, including a complaint, it may require the institution to comply with one or more of the following directives:
 - (1) Submit specific documents or reports;
 - (2) Submit additional information;
 - (3) Attend a NACCAS Accreditation Workshop and/or default management workshop;
 - (4) Undergo an on-site evaluation by a full or partial team, the cost to be borne by the institution unless otherwise determined by the Commission;
 - (5) Undergo early renewal of accreditation.

Section 8.12 **Status: Denial of Accreditation**

The status of Denial of Accreditation shall be restricted to schools applying for initial accreditation. A denial of accreditation shall apply when the Commission determines from the record of an applicant for initial accreditation that the institution does not meet the requirements specified in the *Standards and Criteria* or other accreditation requirements and, therefore, addition to the list of accredited schools is not warranted.

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Section 8.13 **Relinquishment of Accreditation**

- (a) An accredited institution may at any time request voluntary relinquishment of NACCAS accreditation status by submitting a written request to the Executive Director of the Commission via certified mail. Such request shall specify the date upon which the school wishes the voluntary relinquishment to be effective and contain a statement to the effect that the school official requesting the voluntary relinquishment of accreditation has the authority to do so.

- (b) The following actions shall constitute the relinquishment of accreditation of an institution if there is no response to an order to “show cause” or a response to “show cause” does not warrant another action:
 - (1) The institution closes or ceases operation as an educational institution (See [Section 1.2\(b\)\(3\)](#), page 55) of these *Rules*);
 - (2) The institution lost its license to operate in the state in which it is located (See [Section 1.2\(b\)\(2\)](#), page 55) of these *Rules*).

In addition, the institution will be assessed a fee of \$5,000.

- (c) The following actions shall constitute the relinquishment of accreditation of an institution if there is no response to an order to “show cause” or a response to “show cause” does not warrant another action:
 - (1) The institution relocates without complying with the procedures established by [Part 4, Sub-Part 4A.1](#) (see page 76) of these *Rules*.
 - (2) The institution undergoes a Category 3 Change of Control, and the parties to the Change of Control do not comply with the notice and application requirements set forth in [Part 4, Sub-Part 4A.2](#) (see page 78) of these *Rules*.

In the case of the actions specified in this [Section 8.13\(c\)](#), the institution can come into compliance with NACCAS’ requirements by submitting the appropriate change application within the show cause period. In addition, the institution will be assessed a fee of \$5,000.

- (d) The effective date of the relinquishment may never be later than the institution’s anniversary date, the date of the institution’s request to voluntarily relinquish accreditation, or the Commission’s notice, whichever comes later.

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Section 8.14 Status: Involuntary Withdrawal of Accreditation

- (a) Following the due process required by these *Rules*, the Commission shall, at any time, withdraw a schools accreditation for any of the reasons included in [Section 8.12](#) (see page 107) and for the following additional reasons:
- (1) Failure to continue to meet the basic eligibility requirements for accreditation set out in [Part 1](#) (see page 53) of these *Rules*;
 - (2) Failure to file an Application for Renewal of Accreditation and/or an Institutional Self-Study for reaccreditation or a change application within the time limits established by the Commission ([Part 2](#), see page 61).
 - (3) Failure to cooperate in a required on-site evaluation of the school conducted by a team or individual ([Part 3](#), see page 68).
 - (4) Failure to notify the Commission in a timely manner of any material change in the way the school conducts its business or the circumstances in which it operates ([Parts 4](#) (see page 75) or [5](#) (see page 87)).
 - (5) Failure to file a satisfactory Annual Report, Special Report, or any other report or required document within the time limits established by the Commission ([Part 5](#) (see page 87) and other parts).
 - (6) Failure to prove compliance with the *Standards and Criteria* for Accreditation or other accreditation requirements within a specific time period established by the Commission upon Application for Renewal, or failure to show cause ([Parts 7](#) (see page 98) and [8](#) (see page 101)).
 - (7) Failure to eliminate or resolve stipulations contained in an Accreditation with Stipulations decision within the time set by the Commission ([Part 8](#), see page 101).
 - (8) Failure to pay any required fees within the time limits established by the Commission ([Appendix #2](#), see page 129).
 - (9) Failure to comply with a Commission order or directive ([Part 8](#), see page 101).
- (b) Upon receipt of notification from the Commission that withdrawal of accreditation is final, or when an institution voluntarily relinquishes accreditation, the school must:
- (1) Immediately inform all students enrolled in the school and those seeking admission that accreditation by NACCAS has been withdrawn. A student enrolled in the school at the time that accreditation has been withdrawn or relinquished shall be permitted to complete the course or program of study on the usual schedule and shall be considered a graduate of an accredited school.

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- (2) Remove from public view all certificates, decals, signs, emblems, and other evidence of accreditation and must cease using printed materials or advertising indicating in any way that the school is, or has been, accredited by NACCAS.

Section 8.15 **Actions to Monitor the On-going Compliance with Accreditation Requirements by an Institution**

- (a) In order to assure that each institution accredited by NACCAS achieves and maintains compliance with NACCAS standards, procedures, policies, directives, and other requirements, the Commission, besides the actions listed elsewhere in this Part, may take any actions that it believes are necessary, proper and fair, including but not limited to:
 - (1) Order an appearance before the Commission.
 - (2) Order an on-site evaluation, announced or unannounced, by a full or partial team. The cost of such visit shall be borne by the school unless the Commission determines otherwise.
 - (3) Shorten the period of accreditation previously granted to the school and require the school to undergo early renewal of accreditation.

- (b) In the event that the Commission determines that a school holding the status of accreditation no longer complies with one or more of the *Standards and Criteria* or formal NACCAS policies, based upon the seriousness of the non-compliance, the Commission shall take one or more of the following actions:

- (1) Continue accreditation with recommendation(s) for improvement, stipulations, or a reporting requirement; and
- (2) Continue accreditation on probation.

These actions may entail any of the requirements set out in [Section 8.11](#) (see page 107) of these *Rules*.

- (3) Shorten the period of accreditation for the school and call the school up for early renewal of accreditation; or
- (4) Withdraw the school's accreditation.

Section 8.16 **Oversight of Continued Compliance**

- (a) The Commission may delegate in one or more committees authority to make recommendations on applicant or accredited schools to the full Commission.
- (b) A duly constituted committee with authority to recommend school actions and/or the Commission may do the following:
 - (1) Request additional information;

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- (2) Order the school to show cause why its accreditation should not be withdrawn for non-compliance with specific accreditation requirements;
- (3) Order a special visit to the institution to gather additional information for the school record; and/or
- (4) Continue accreditation in any of the statuses established by this Part.

Section 8.17 Official Notification of Commission Action

Whenever the Commission takes an action on an applicant or accredited school pursuant to these *Rules*, the Commission shall notify the affected institution in writing of that action, within 45 days; provided, however, that written notice of any action to deny or withdraw accreditation, or to place a school's accreditation on probation, shall be given within 30 days. The notice shall be sent to the chief executive officer or designated official of the institution via certified mail, return receipt requested, or other traceable means.

In all cases, if there is a recommendation for improvement, it shall be specified in the notice.

- (a) Commission action to grant or renew accredited status, with or without conditions: The notice shall indicate the period of accreditation granted and the programs approved within the aegis of institutional accreditation. The notice shall indicate if the accreditation granted allows the institution to seek eligibility to participate in federal student financial assistance programs.
- (b) Commission action to approve a change and continue accreditation, without conditions: The notice shall specify the change approved within the aegis of the institutional accredited status previously granted.
- (c) Commission action to defer action, or grant, renew, or continue accreditation with stipulation, reporting requirement, or on probation: The notice shall provide the institution's chief executive with a detailed explanation of:
 - (1) The specific facts and/or program characteristics upon which the Commission relied in making its decision;
 - (2) The standards, criteria, policies, procedures, rule, Commission directive, or other accreditation requirement with which the school was found to be in less than full compliance;
 - (3) Any requirements the Commission has placed on the institution as a condition of its action, pursuant to [Section 8.11](#) (see page 107) of these *Rules*.
 - (4) The date by which the school must demonstrate that the requirements have been met or establish that they were unwarranted.
- (d) Voluntary relinquishment of accreditation by the institution: The school shall be advised that, as requested, the name of the school has been removed from the *NACCAS Directory of Accredited Schools*.

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- (e) Commission action to deny or withdraw accreditation: The notice shall provide the institution's chief executive with a detailed explanation of:
 - (1) The manner in which the school has failed to comply with the Commission's standards, criteria, policies, procedures, rules, Commission directives, or other accreditation requirement and the basis for the withdrawal of accredited status;
 - (2) The evidence and reasoning relied upon by the Commission in reaching its decision;
 - (3) The institution's right to appeal the action pursuant to [Part 9](#) (see page 113) of these *Rules*, if applicable; or
 - (4) The institution's obligations under [Section 8.14\(b\)](#) (see page 109), in the case of a final withdrawal, all appeal rights exhausted.

Section 8.18 **Time Lines to Remedy Non-Compliance**

- (a) Where the Commission has found an area in which the institution is out of compliance with accreditation standards and requirements, the period allotted to an institution to remedy the non-compliance or cure the deficiency, together with the time for the Commission's final decision, in no case shall exceed the following time limits:
 - (1) Twelve months, if the institution's longest program is less than one year in length;
 - (2) Eighteen months, if the institution's longest program is at least one year, but less than two years in length; or
 - (3) Two years, if the institution's longest program is at least two years in length.

These time frames shall begin to toll on the date of the first official written notification by the Commission to the institution (which may include electronic notification) advising the institution that the Commission has determined that the institution is not in compliance with NACCAS' accreditation standards or requirements.

- (b) If the institution does not bring itself into compliance or cure the deficiency within the specified period, the Commission must take adverse action unless there is good cause to extend the period for achieving compliance.
- (c) Good cause shall exist, for example, when, at its discretion, the Commission determines that, throughout the period allowed under [Section 8.18\(a\)](#) above, the institution has been making a good faith effort to remedy existing deficiencies and a reasonable expectation exists that such deficiencies will be remedied within the period of the extension if adverse action is postponed.

Related Documents

The following document may be helpful to you in understanding the requirements of this part of the NACCAS *Rules*: **34 CFR Part 602**