From:	Carolyn Fast, Negotiator for Civil Rights Organizations and Consumer Advocates
To:	Department of Education and Negotiated Rulemaking Committee
Date:	January 18, 2024
Re:	Accreditation Proposal

NOTE: Text in red was proposed by the Department; text in red and highlighted in yellow is proposed by negotiators in a separate proposal; and the relevant language for this proposal appears highlighted in blue.

§ 602.22 Substantive changes and other reporting requirements.

(a)

(1) If the agency accredits institutions, it must maintain ~~adequate~~ written substantive change policies that ensure that any substantive change, as defined in this section, after the agency has accredited or preaccredited the institution does not adversely affect the capacity of the institution to continue to meet the agency's standards. The agency meets this requirement if—

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(g) The agency must ensure that written arrangements approved under paragraph (a)(1)(M) include—

(1) An assessment of the numerical portion of the program included under the arrangement, including the extent to which the ineligible entity designs, administers, or instructs the course, to ensure the arrangement complies with regulatory limitations;

(2) An evaluation of the ineligible entity's performance, including analysis of student achievement data, in providing similar programs with an institution, to assess the entity's capability; and

(3) As appropriate, an evaluation of the ineligible entity's recruitment and marketing practices to ensure they are compliant with the agency's standards and an assurance that the institution supervises the entity's marketing and recruiting efforts and approves promotional materials, communications with prospective and enrolled students, and training materials for recruitment staff.

(4) An assurance that the institution retains primary control over core program functions such as the provision of instruction, curriculum development, and the establishment of admissions standards and enrollment targets.

(h~~g~~) The agency's substantive change policy must define when the changes made or proposed by an institution are or would be sufficiently extensive to require the agency to conduct a new comprehensive evaluation of that institution.

Rationale:

This proposal would add requirements for accreditor review of written arrangements with ineligible entities in order to ensure that institutions maintain supervision and control over core functions such as marketing and recruiting and setting admissions standards and enrollment targets. These requirements would address risks posed to students by the outsourcing of these core functions to ineligible entities,

which in some cases have financial incentives to engage in conduct that is not in the best interests of students, such as: engaging in deceptive or abusive recruiting practices; promoting high-cost, low-value programs; lowering admissions standards; or enrolling students who do not meet admissions requirements.