Type of Submission:

Renewal Petition

Criteria: Scope of Recognition
Description of Criteria

This is the current scope of recognition for your agency which was granted by the Secretary of Education:

The accreditation and preaccreditation ('Candidate for Accreditation') of degree-granting institutions, including tribal institutions, and the accreditation of programs offered via distance education and correspondence courses within these institutions. This recognition extends to the Institutional Actions Council jointly with the Board of Trustees of the Commission for decisions on cases for continued accreditation or reaffirmation, and continued candidacy, and to the Appeals Body jointly with the Board of Trustees of the Commission for decisions related to initial candidacy or accreditation or reaffirmation of accreditation.

Geographic area of accrediting activities: The United States.

Narrative:
No changes to HLC's scope are requested with this petition.

Document(s) for this Section

No files uploaded

Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:
The agency is not requesting a change in scope of recognition. However, during the petition review process, HLC has changed its geographic area of accrediting activities and notified the Department of that change. Therefore, the Department has revised the agency's scope of recognition to the following: The accreditation and preaccreditation ('Candidate for Accreditation') of degree-granting institutions of higher education in the United States, including tribal institutions, and the accreditation of programs offered via distance education and correspondence education within these institutions. This recognition extends to the Institutional Actions Council jointly with the Board of Trustees of the Commission for decisions on cases for continued accreditation or reaffirmation, and continued candidacy, and to the Appeals Body jointly with the Board of Trustees of the Commission for decisions related to initial candidacy or accreditation or reaffirmation of accreditation.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Analyst Worksheet - Response
Analyst Review Status:

Not Reviewed

Criteria: 602.10(a-b)
Description of Criteria

The agency must demonstrate that—

(a) If the agency accredits institutions of higher education, its accreditation is a required element in enabling at least one of those institutions to establish eligibility to participate in HEA programs. If, pursuant to 34 CFR 600.11(b), an agency accredits one or more institutions that participate in HEA programs and that could designate the agency as its link to HEA programs, the agency satisfies this requirement, even if the institution currently designates another institutional accrediting agency as its Federal link; or
(b) If the agency accredits institutions of higher education or higher education programs, or both, its accreditation is a required element in enabling at least one of those entities to establish eligibility to participate in non-HEA Federal programs.

Narrative:
As of March 1, 2021, the Higher Learning Commission (“HLC” or “the Commission”) has granted accredited status to 968 colleges and universities and candidate for accreditation (or preaccredited) status to four institutions. (See EXHIBIT A.6: List of Candidate and Accredited Institutions). Most of these institutions rely on HLC accreditation for access to Title IV monies in order to assist students with the
cost of attendance, although a handful of institutions elect not to participate in the program.

Institutions granted membership with HLC satisfy the requirements for an institution of a higher education as defined by 34 CFR §600.4, or for a proprietary institution of higher education as defined by 34 CFR §600.5. Accredited status with HLC satisfies both §600.4(a)(5)(i) and §600.5(a)(5)(B)(2), as HLC is an accrediting agency currently recognized by the U.S. Department of Education ('the Department' or USDE). Therefore, an institution accredited by HLC is eligible to participate in federal programs and, in most cases, HLC-accredited institutions do rely on HLC's accreditation in maintaining that eligibility. The Department, in its Database of Accredited Post-Secondary Institutions, identifies the large number of institutions that rely on HLC accreditation for Title IV purposes. (See EXHIBIT C.1: USDE Database of Accredited Post-Secondary Institutions)

As instructed in the Accreditation Handbook, HLC has not provided a letter from an institution attesting to the use of HLC accreditation for Title IV purposes. HLC understands that the Department will verify institutional participation in Title IV by virtue of HLC accreditation with the Office of Federal Student Aid.

Document(s) for this Section

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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency provided a list of its accredited and preaccredited ('candidate') institutions that are eligible to participate in title IV, HEA programs (Exhibit A.6). Department staff verified with the Office of Federal Student Aid that over 900 of the agency's accredited institutions use the agency's accreditation to establish eligibility to participate in title IV, HEA programs.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:
HLC appreciates the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:
Not Reviewed

Criteria: 602.11(a-c)
Description of Criteria

The agency must demonstrate that it conducts accrediting activities within—

(a) A State, if the agency is part of a State government;
(b) A region or group of States chosen by the agency in which an agency provides accreditation to a main campus, a branch campus, or an additional location of an institution. An agency whose geographic area includes a State in which a branch campus or additional location is located is not required to also accredit a main campus in that State. An agency whose geographic area includes a State in which only a branch campus or additional location is located is not required to accept an application for accreditation from other institutions in such State; or
(c) The United States.

Narrative:
HLC’s current scope of recognition as listed with the Department is:

The accreditation and preaccreditation (‘Candidate for Accreditation’) of degree-granting institutions of higher education in Arizona, Arkansas, Colorado, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, New Mexico, North Dakota, Ohio, Oklahoma, South Dakota, West Virginia, Wisconsin, and Wyoming, including the tribal institutions and the accreditation of programs offered via distance education and correspondence education within these institutions. This recognition extends to the Institutional Actions Council jointly with the Board of Trustees of the Commission for decisions on cases for continued accreditation or reaffirmation, and continued candidacy, and to the Appeals Body jointly with the Board of Trustees of the Commission for decisions related to initial candidacy or accreditation or reaffirmation of accreditation.

HLC is not requesting a change in its scope of recognition concurrently with this petition but has notified the Department of plans to extend its jurisdiction as noted below. At this time, HLC only accredits institutions based in the states within the Commission’s scope of recognition, which is reflected in HLC’s Bylaws. (See EXHIBIT A.4: HLC Bylaws, Article III, p. 2 and EXHIBIT A.6: List of Candidate and Accredited Institutions, March 2021) Under HLC policy, HLC’s accreditation of the institution extends to an institution’s approved branch campuses and additional locations wherever located. (See EXHIBIT A.1:
Currently, HLC's accreditation extends to its member institutions' branch campuses and additional locations which are located in all states except Connecticut, Vermont, and Rhode Island. (See EXHIBIT C.13: List of Active Branch Campuses and Additional Locations)

In February 2021, HLC's Board of Trustees ("the Board") approved proposed revisions to its Bylaws on first reading that would extend HLC's jurisdiction beyond its current 19-state region to the United States. The proposed revisions are being circulated to HLC's membership for public comment and will return to the Board for adoption on second reading in June 2021. If adopted, the changes are expected to become effective immediately. In March 2021, HLC apprised the Department of its intent and the agency will provide timely formal notification in accordance with Department Staff instructions and federal regulation after the proposed revisions have been finalized on second reading and at the point HLC is prepared to begin operating accordingly. (See EXHIBIT A.8: Proposed Revisions to Bylaws, First Reading)

Document(s) for this Section

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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

In July 2021, HLC notified the Department of a change of its geographic area of accrediting activities from a 19-state region to the United States (ED Exhibit 1 - HLC Notification of Expanded Jurisdiction - July 14 2021).

The agency has provided documentation to demonstrate that its accreditation activities cover the United States. The agency provided a list of the institutions, branch campuses, and additional locations currently accredited by HLC in the United States (Exhibits A.6 and C.13). During the virtual file review,
Department staff reviewed records of accreditation activities within the agency’s stated geographic area.

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Response:

HLC appreciates the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Not Reviewed

Criteria: 602.14(a)
Description of Criteria

(a) The Secretary recognizes only the following four categories of accrediting agencies:

(1) A State agency that—
   (i) Has as a principal purpose the accrediting of institutions of higher education, higher education programs, or both; and
   (ii) Has been listed by the Secretary as a nationally recognized accrediting agency on or before October 1, 1991.

(2) An accrediting agency that—
   (i) Has a voluntary membership of institutions of higher education;
   (ii) Has as a principal purpose the accrediting of institutions of higher education and that accreditation is used to provide a link to Federal HEA programs in accordance with §602.10; and
   (iii) Satisfies the “separate and independent” requirements in paragraph (b) of this section.

(3) An accrediting agency that—
   (i) Has a voluntary membership; and
   (ii) Has as its principal purpose the accrediting of institutions of higher education or programs, and the accreditation it offers is used to
provide a link to non-HEA Federal programs in accordance with §602.10.

(4) An accrediting agency that, for purposes of determining eligibility for title IV, HEA programs—
   (i) (A) Has a voluntary membership of individuals participating in a profession; or
       (B) Has as its principal purpose the accrediting of programs within institutions that are accredited by another nationally recognized accrediting agency; and
   (ii) Satisfies the “separate and independent” requirements in paragraph (b) of this section or obtains a waiver of those requirements under paragraph (d) of this section.

Narrative:
HLC seeks continued recognition as an accrediting agency defined by §602.14(a)(2). HLC is incorporated as a not-for-profit organization in the State of Illinois. (See EXHIBIT A.3: Articles of Incorporation and Certificate of Incorporation)

As required by §602.14(a)(2)(i), HLC is composed of a voluntary membership of institutions of higher education. (See EXHIBIT A.6: List of Candidate and Accredited Institutions) As stated in Article I of the HLC Bylaws, “The Commission is a voluntary, not-for-profit, membership organization....” (See EXHIBIT A.4: HLC Bylaws, Article I, p. 2) The membership roster demonstrates that approximately 970 institutions meet the criteria for membership and have voluntarily sought and achieved status with HLC. (See EXHIBIT A.6: List of Candidate and Accredited Institutions)

As also defined by the Bylaws, institutions achieve membership with HLC by following a clearly delineated process that culminates in a grant of accreditation by the Board of Trustees. Article III, Section 1 states, “[m]embers of the Commission are those educational institutions and systems of institutions offering higher education that are accredited by the Commission or that are candidates with the Commission, as defined by Commission policy. To be an HLC member, an educational institution or system of institutions must be within the Commission’s Jurisdiction as defined in Section 2 of this Article.” (See EXHIBIT A.4: HLC Bylaws, p. 2) The process to achieve status requires rigorous and recurring reviews of the institution (or system, if applicable), set forth by policy and procedure discussed in detail later in this petition, to ensure that it meets all HLC requirements for membership. (See generally EXHIBIT A.1: HLC Policy Book, INST.B.20.010, p. 72)

As required by §602.14(a)(2)(ii), HLC’s primary purpose is that of the accreditation of institutions of higher education. As defined by Article II of the Bylaws, HLC’s purpose is as follows:

The Commission exists to validate quality in and to stimulate improvement of higher education. It achieves these purposes through a variety of means, including processes of accreditation based on criteria and requirements, made effective through a system of peer review, and communicated to both educational institutions and to the public. At its discretion, the Commission offers elective training and education programs to enhance quality in higher education.” (See EXHIBIT A.4: HLC Bylaws, p. 2)

As noted in §602.10, an institution’s status with HLC meets the requirements and definition of an eligible institution under §600.4 and §600.5, thereby enabling the institution to participate in Title IV.
Because HLC’s Bylaws envision both institutions and systems of institutions as potentially achieving membership with HLC, use of the term 'institution' throughout this petition should be understood accordingly.

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Analyst Worksheet- Narrative
Analyst Review Status:

Does not meet the requirements of this section

Staff Determination:

The agency has not demonstrated that it satisfies the “separate and independent” requirements in Section 602.14(b).

Analyst Remarks to Narrative:

The agency is recognized under Section 602.14(a)(2). The agency has, as a principal purpose, the accrediting of institutions of higher education and that accreditation is a required element in enabling those institutions to participate in title IV, HEA programs. The agency’s bylaws state that it is a voluntary membership organization with the purpose to accredit postsecondary institutions and its articles of incorporation, standards, policies and procedures reflect that purpose (Exhibits A.1, A.3, and A.4). However, as discussed in Section 602.14(b), the agency has not demonstrated that it meets the separate and independent requirements.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded
Response:

HLC understands that citation in the Draft Analysis to 602.14(a) is due to the analysis provided under § 602.14(b), as it relates to the composition of the Institutional Actions Council (IAC) and the Appeals Body. Therefore, HLC has addressed these concerns under § 602.14(b). As noted in § 602.14(b), HLC meets the separate and independent requirement and has fully ameliorated the concerns identified by the Department in the Draft Analysis as it relates to this section and § 602.14(b).

Analyst Worksheet - Response
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Response

In response to the draft staff analysis, the agency provided a comprehensive response in Section 602.14(b) relating to the composition of the Institutional Actions Council (IAC) and the Appeals Body. The agency has demonstrated that it satisfies the “separate and independent” requirement.

List of Document(s) Uploaded by Analyst - Response

No file uploaded

Criteria: 602.14(b)
Description of Criteria

(b) For purposes of this section, “separate and independent” means that—
(1) The members of the agency's decision-making body, who decide the accreditation or preaccreditation status of institutions or programs, establish the agency's accreditation policies, or both, are not elected or selected by the board or chief executive officer of any related, associated, or affiliated trade association, professional organization, or membership organization and are not staff of the related, associated, or affiliated trade association, professional organization, or membership organization;
(2) At least one member of the agency's decision-making body is a representative of the public, and at least one-seventh of the body consists of representatives of the public;
(3) The agency has established and implemented guidelines for each member of the decision-making body including guidelines on avoiding conflicts of interest in making decisions;
(4) The agency's dues are paid separately from any dues paid to any related, associated, or affiliated trade association or membership organization; and
(5) The agency develops and determines its own budget, with no review by or consultation with any other entity or organization.

Narrative:
HLC meets the separate and independent requirement identified in §602.14(a)(2)(iii) and set forth in §602.14(b). As defined by Article VI, Section 1 of HLC's Bylaws, Election, the Board of Trustees is elected directly by the membership (See EXHIBIT A.4: HLC Bylaws, p. 4-5; See also EXHIBIT A.5: Trustees Policies Manual, p. 6) As defined by Article VI, Section 2 of the Bylaws, entitled Creation and Structure of the Nominating Committee, HLC maintains a nomination and vetting process for prospective Board of Trustees members, including public members. (See EXHIBIT A.4: HLC Bylaws, p. 5.) The Board of Trustees' Committee on Trustees is responsible for nominating new Trustees from the slate of candidates selected by the Nominating Committee and HLC then holds an election across the membership (See Exhibit A.5: Trustees Policies Manual, p. 6) No other organization has the right of appointment to the Board or to the Nominating Committee that identifies prospective Board members.

Article V, Section 1 of HLC's Bylaws sets forth a requirement that the HLC Board shall consist of between 16-21 Trustees, with at least one of every seven to be a public member. (EXHIBIT A.4: HLC Bylaws, p. 3; ) Moreover, Article V, Section 2 defines a public Board member as one who is not and does not have “a familial relationship with, current employees, consultants, owners, shareholders, or members of the governing board of any member institution, or applicant thereof, or higher education agency.” (ibid, p. 3-4) Currently, HLC’s Board of Trustees consists of 19 Trustees, with four meeting the definition of a public member. (See EXHIBIT C.2: Board of Trustees Roster and Biographical Information)

The Board of Trustees, in accordance with Article XI of the Bylaws, Policy-Making Functions of the Board, is responsible for approving all policies related to accrediting standards, policies defining certain accreditation processes, Board conduct, polices mandated from regulations, statute, or other legal requirements, and policies related to HLC business operations. (See EXHIBIT A.4: HLC Bylaws, p. 8) No other entity reviews the Board’s decisions related to accreditation policy.

The Board of Trustees maintains decision-making authority for institutional actions under HLC policy, including those related to the granting of Candidate for Accreditation and accredited status. Again, no organization outside of HLC has the right authority to make or review institutional decisions. Under policy, the Board of Trustees delegates authority for certain decision-making actions to subordinate bodies, including decisions related to: reaffirmation of accreditation, approval of peer review team recommendations following a candidacy biennial visit, approval or denial of applications for substantive change (excluding applications for Change of Control, Structure, or Organization as explained in §602.22), approval of peer review team recommendations resulting from focused evaluations, and approval of recommendations from HLC staff or Financial/Non-Financial panels for required monitoring or substantive changes to an institution’s Statement of Accreditation Status. (See EXHIBIT A.1: HLC Policy Book, INST.D.20.010, p. 110)

Under policy, the Institutional Actions Council (IAC) must consist of at least forty members, who are
nominated by HLC staff and subsequently appointed by the Board of Trustees. Policy requires that IAC members who represent institutions be broadly representative of institutions accredited by HLC and that these individuals also be active members of the Peer Corps. (ibid) Policy also requires that the Institutional Actions Council include a sufficient number of public members to ensure that each Committee has at least one public member. (ibid) Policy reiterates the definition of a public Institutional Actions Council member as one who is not and does not have a “familial relationship with, current employees, consultants, owners, shareholders, or members of the governing board of any member institution, organization, or applicant thereof, or higher education agency, and shall reside or have a principal place of employment within the area of the Commission’s jurisdiction.” (ibid) Currently, the Institutional Actions Council consists of 131 members, of which 13 meet the definition of a public member. (EXHIBIT C.3: Institutional Actions Council Roster)

As stated in Article XII, Section 2 of the Bylaws, the Board of Trustees appoints an Appeals Body, the function of which is delineated in policy. (See EXHIBIT A.4: HLC Bylaws, p. 9) As defined by policy, the Appeals Body consists of 15 members, first nominated by HLC staff, of which there must be an appropriate number of public members to ensure that any Appeal Panel has one public member. (EXHIBIT A.1 HLC Policy Book, INST.E.90.010, p. 141) In the event of an appeal, HLC’s President is authorized to form an Appeal Panel consisting of five of these members, with one of those members being a public member. (ibid) Staff maintain nomination procedures and nominate Appeals Body members. (See EXHIBIT B.4: Appeals Procedure) Appeals Body members are typically drawn from experienced members of the Peer Corps. Currently, the HLC Appeals Body consists of 17 members, of which two meet the definition of a public member. (See EXHIBIT C.5: Appeals Body Roster)

The Chief Executive Officer of HLC is appointed by the Board of Trustees in accordance with Article IX of the Bylaws. (See EXHIBIT A.4: HLC Bylaws, p. 7) In accordance with Section 1 of this article, the Chief Executive Officer is a full-time employee of the Commission. Under Section 2, the Chief Executive Officer retains authority for the appointment and removal of HLC staff members in accordance with internal policy. No other organization has a role in the appointment of the President or HLC staff members.

Conflict of Interest

As required by §602.14(b)(3), HLC maintains robust policies and procedures for ensuring that members of its decision-making bodies can effectively function free from conflicts of interest, as is also described in more detail under §602.18. First, Trustee Policy III.D requires that Trustees act with impartiality and without conflict in all activities conducted for HLC. (See EXHIBIT A.5: Trustee Policies Manual, p. 4) As part of this, each year, each Trustee must complete an Annual Statement of Commitment, Conflict of Interest and Disclosure that requires the Trustee to disclose any relationship or situation that might give rise to a conflict of interest with regard to that Trustee’s work for HLC. This statement includes guidance on what constitutes a conflict of interest, particularly with regard to institutional actions. (See EXHIBIT B.5: Sample HLC Board of Trustees Annual Statement of Commitment, Conflict of Interest, and Disclosures)

Trustees are required to recuse themselves orally from discussion of, or voting on, an institutional decision regarding which they have a conflict of interest, or the appearance thereof. Trustees have a strong and consistent record of careful recusals from individual institutional actions when appropriate. (See EXHIBIT C.9: HLC Board of Trustees Minutes, p. 35)

The orientation program for new Trustees and routine training provides additional guidance and
expectations on HLC’s conflict of interest policies and procedures. (See EXHIBIT F.13: Overview of Board of Trustees Training and EXHIBIT F.14: HLC New Trustee Orientation) These policies and procedures ensure that Trustees understand and observe HLC conflict of interest expectations.

HLC’s policies on the Institutional Actions Council and on the Appeals Body require that their respective members act with impartiality and without conflict of interest in their work for the Commission. (See EXHIBIT A.1: HLC Policy Book, INST.D.20.010, p. 110 and INST.E.90.010, p. 141) As with the Board of Trustees, each year, every IAC member must complete a disclosure form in which they must disclose any conflicts of interest or the appearance thereof. (See EXHIBIT B.7: Sample IAC Confirmation of Public Member Status/Annual Commitment Forms) Additionally, during any IAC decision-making meeting, members are required to recuse themselves orally from discussing, and voting on, any institutional decision in which they have a conflict of interest or the appearance thereof. IAC members demonstrate a strong and consistent pattern of appropriate recusals during IAC meetings. (See EXHIBIT C.10: Institutional Actions Council Minutes, p. 6)

Members of an Institutional Actions Council Hearing Committee, which is an intermediate review body in certain cases consisting of IAC members, also complete a Confirmation of Objectivity Form for any hearing in which they participate, verifying their freedom from conflict of interest for the specific case before the Committee. (See EXHIBIT A.1: HLC Policy Book, INST.D.20.010, p. 110 and EXHIBIT B.8 Sample IAC Case-Specific Objectivity Form) HLC’s orientation procedure for both current and new IAC members provides additional information regarding conflict of interest. (See EXHIBIT F.11: IAC Training Materials) Similarly, additional guidance on conflict of interest is provided to members of an IAC Hearing Committee ahead of their hearings. (See EXHIBIT F.12: IAC Hearing Committee Training Materials)

Due to text limitations, see EXHIBIT H.2: Addendum to §602.14(b) for the remainder of HLC’s response to this section.

Document(s) for this Section

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<th>File Name</th>
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<th>Agency's Exhibit Comments</th>
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<td>143</td>
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<td>EXHIBIT C.3 Institutional Actions Council Roster</td>
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Analyst Worksheet- Narrative
Analyst Review Status:

Does not meet the requirements of this section

Staff Determination:

The agency must demonstrate that its policies require at least one-seventh of the IAC consists of representatives of the public. HLC must provide an updated roster of the appeals panel pool.

Analyst Remarks to Narrative:

As stated in the agency's narrative, articles of incorporation and bylaws, the Higher Learning Commission is an independent entity with the principal purpose to accredit postsecondary institutions (Exhibits A.3 and A.4).

(1) The Board of Trustees is the primary decision- and policy-making body of the agency, per the agency’s bylaws (Exhibit A.4). The board’s nomination, election and selection process is outlined in the agency’s bylaws and precludes board members from being selected from outside entities. Board members are elected by the agency's membership from a slate prepared by a nominating committee. At any time, the board is comprised of 16 to 21 members, and the board roster submitted with the petition included 19 members (Exhibit C.2). The board roster at the time of the virtual file review includes 16 members (ED Exhibit 6 - BOT Roster Feb 22_Redacted).

The Institutional Actions Council (IAC) is a decision-making body per the agency's Policy Book (Exhibit A.1, INST.D.20.010). The policy outlines the IAC's selection process which includes nomination by agency staff and appointment by the Board of Trustees. Per policy, there must be at least 40 members on the IAC roster and the current roster includes 131 members (Exhibit C.3). Department staff observed the appointment of IAC members at the February 2022 board meeting.

The appeals panel is a decision-making body established in the agency's bylaws (Exhibit A.4). The related policy in the agency's Policy Book states that the Appeals Body is appointed by the Board of Trustees (Exhibit A.1, INST.E.90.010). When needed, an appeals panel consists of five members of the Appeals Body chosen by the HLC president. Per policy, the Appeal Body “consist of 15 persons,” but the roster submitted with the petition included 17 members (Exhibit C.5). During the virtual file review, Department staff confirmed the roster of 14 appeals panel pool members, with one member having resigned within the prior month (ED Exhibit 7 - Appeals Body Roster_Redacted). HLC is working to fill the vacancy per its policies and procedures and will provide the updated roster in response to the draft staff
(2) The agency's bylaws require at least one of every seven members of the Board of Trustees must be a public representative (Exhibit A.4). The current board roster includes 16 members with three public representatives (ED Exhibit 6 - BOT Roster Feb 22_Redacted).

The IAC policy requires that at least one public representative be appointed to each IAC committee, however the policy does not include a maximum number of members for each convened committee (Exhibit A.1, INST.D.20.010). Therefore, it is not clear that each IAC committee meets the one-seventh public representative composition requirement required by this section. The current IAC roster includes 131 members with 13 public representatives (Exhibit C.3).

The agency’s policy on appeals requires at least one public representative be appointed to each five-member panel (Exhibit A.1, INST.E.90.010). The current Appeal Body roster includes 17 members with two public representatives (Exhibit C.2).

The agency’s definition of a public representative in its bylaws and policies ensures that public representatives meet the definition of a public representative as defined by the Secretary’s Criteria for Recognition.

(3) The agency has guidelines and conflicts of interest policies for its Board of Trustees within the trustee policies manual (Exhibit A.5). HLC provided the new member orientation and training overview for board members (Exhibits F.13 and F.14). The agency also provided a completed example of the 'Board of Trustees Annual Statement of Commitment and Conflict of Interest Disclosure' form that the agency requires each board member sign annually as verification of his/her understanding and commitment to the conflict of interest policy and to disclose any conflict of interest (Exhibit B.5). The agency’s documentation of board meeting minutes reflects that the agency effectively uses recusals to guard against conflicts of interest (Exhibit C.9). Department staff observed the use of recusal at the February 2022 board meeting.

The agency has guidelines and conflict of interest policies for the IAC within its Policy Book (Exhibit A.1, INST.D.20.010). The agency provided three completed examples of the 'Annual Statement of Commitment and Conflict of Interest Disclosure' form that the agency requires each IAC member to sign annually as verification of his/her understanding and commitment to the conflict of interest policy and to disclose any conflict of interest (Exhibit B.7). The agency also uses a case-specific conflict of interest form for certain IAC hearings and provided documentation of implementation (Exhibit B.8). However, the completed examples of the conflict of interest forms (annual or case-specific) provided did not appear to have sufficient identity verification that the forms were signed by the IAC members. During the virtual file review, HLC provided additional information and documentation that they are transitioning to a new system that would provide identity verification. The agency’s documentation of IAC meeting minutes reflects that the agency effectively uses recusals to guard against conflicts of interest (Exhibit C.10). Department staff observed the use of recusal at the January 2022 IAC meeting.

The agency has guidelines and conflict of interest policies for appeals panel members within its Policy Book (Exhibit A.1, INST.E.90.010). The agency stated that appeals panel members sign a "Confirmation of Objectivity Form," when a panel is convened. The agency stated that it has not had an appeal during the current recognition period and could not provide signed forms.
The agency stated that dues are paid directly to the agency and provided documentation of the receipt of dues (Exhibit D.5). The agency provided its dues and fee schedule, which indicates that no other association or organization is involved (Exhibit D.4).

The agency’s bylaws state that the Board of Trustees is responsible for developing the budget for HLC without review by or consultation with any other entity (Exhibit A.4). According to its budget process (Exhibit B.1), the budget is developed by HLC staff and reviewed by the Board’s finance committee. The agency provided documentation that the budget is reviewed and adopted annually by the Board (Exhibit C.9).

During the virtual file review, Department staff reviewed additional documentation, to include resumes/CVs for all board members and appeals panel pool members, a representative sample of resumes/CVs for IAC members, signed conflict of interest forms, copies of approved budgets, and correspondence related to and minutes of meetings when decision-making body members are nominated and elected.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

**Appeals Body**

As noted in HLC’s petition for continued recognition, HLC policy requires that the Appeals Body consist of 15 persons (i.e., members). (SEE EXHIBIT I.1: HLC Policy Book, June 2022, INST.E.90.010, Appeals, p. 140) As correctly noted by the Department, at the time of the file review in March 2022, the Appeals Body consisted of 14 members. This number was the result of routine and expected term expirations coupled with one unexpected resignation in February 2022. In accordance with its policies and procedures, HLC immediately began to fill the vacancy that resulted from the resignation. In June 2022, the HLC Board of Trustees appointed a new member to the Appeals Body, an institutional representative with appropriate experience and expertise, restoring the total number of Appeals Body members to 15, which aligns with the requirement in HLC policy. (SEE EXHIBIT J.1: Appeals Body Roster, September 2022) The term of this new member was effective 9/1/22 and the member completed the Appeals Body training prior to the date of this response. (SEE EXHIBIT J.2: Appeals Body Training Confirmation)

**Institutional Actions Council Public Member Representation**

As was also noted in HLC’s petition for continued recognition, the Institutional Actions Council (IAC) operates exclusively by committee; it does not operate as a committee of the whole. This means that each decision or action taken by IAC is taken by a committee. At the time of HLC’s initial submission, HLC’s internal procedures required that the IAC typically act through a committee consisting of seven members and that one of these members be a public member. HLC has in fact consistently adhered to that procedure, even though the committee size and structure that typified IAC’s decision making was not broadly publicized to HLC’s membership. Based on the Department’s observations and the Draft
Analysis, HLC codified the requirement in its policy that the IAC act through committees and that at least one in seven of these members must be a public member. (SEE EXHIBIT I.2: Adopted Policy on Public Member Representation on the Institutional Actions Council) In situations where the committee consists of fewer than seven members, one of these members must also be a public member in order to adhere to this policy requirement. This policy change, which again served only to publicize HLC’s standard practice, was effective immediately.

Based on this policy adoption, HLC policy now explicitly requires that the IAC act in committees, with at least one in seven of these members being a public member. (SEE EXHIBIT I.1: HLC Policy Book, June 2022, INST.D.40.010, Institutional Actions Council Processes, p. 112) Therefore, this policy reflects the expectations of § 602.14(b)(2). As noted in the Draft Analysis, the composition of the IAC and numerosity of public members within it is sufficient to ensure adherence to this requirement. HLC will continue to ensure adherence to this regulation as it has done in this regard.

Conflict of Interest

Lastly, as explained in HLC’s petition, at the time, HLC required members of the IAC, including public members, to complete online forms regarding conflict-of-interest. HLC maintained an annual conflict of interest form and a case-specific conflict of interest form, which was completed at the time of assignment to an IAC Hearing Committee. During the file review, the Department expressed concerns that these IAC forms did not require either a “wet” or “digital” signature. Instead, HLC only required a type-faced signature. Based on the Draft Analysis, HLC understands that the Department is concerned that without a wet or digital signature, HLC cannot be completely certain that the signatory of the form was actually the person who completed the form.

During the file review, HLC staff explained that HLC was implementing a new enterprise management system and that once fully operational, the conflict-of-interest declarations would be completed within the system. Over the course of summer 2022, HLC completed full implementation of this system. As of August 1, 2022, all conflict-of-interest declarations are now completed in the system, including those for IAC members (both institutional and public members).

As it relates to the concerns noted in the Draft Analysis, in this new system, HLC properly verifies the identity of the person completing the form. Specifically, all conflict-of-interest declarations in the system can only be accessed in a password protected environment. Each peer reviewer and IAC member (including a public member) receives a unique log-in and password to access their individual profile in the system. This profile includes an individual’s service record with HLC, pending or proposed evaluative activities, and required service declarations, including those related to conflict-of-interest. Under HLC procedure, users are not to share their log-in credentials with anyone. HLC maintains a log of the users’ IP address and location at the time they accept or decline an invitation to participate on an evaluative review.

Under this new system, peer reviewers and IAC members use their individual accounts to complete an annual declaration of conflict-of-interest, which also includes a declaration of confidentiality and objectivity. These individuals are then required to update their record immediately if a new circumstance arises that would require reporting to HLC and to respond to the evaluation invitation appropriately accepting or declining the review. The IP addresses of users who submitted / completed surveys are captured here as well. Within the new system, HLC not only ensures that it adheres to its policies and procedures on conflict-of-interest, but also ensures that the “attesting” user is the one
completing the declarations, to the best of HLC’s ability, by linking their email addresses, Canopy accounts, and IP addresses in the record. HLC’s password-protected environment, along with its requirement that log-in credentials not be shared, limits access to only the specific individual provided the account.

To demonstrate the effectiveness of HLC’s new system, a step-by-step guide on how this information is completed, from the perspective of an IAC public member, is included as a supporting exhibit. (SEE EXHIBIT J.3: HLC Systems Verification Procedure and Screenshots) Finally, all current IAC members completed these declarations in the new system for AY 2022-23. (SEE EXHIBIT J.23: AY 2022-23 IAC Declaration Confirmations) Note that these forms represent an output of the data entered in HLC’s enterprise management system. HLC has also published a revised Conflict of Interest Procedure in light of its new enterprise management system. (SEE EXHIBIT 1.14: HLC Conflict of Interest Procedure)

Separately, HLC has affirms the accuracy of the statement that it has not had any appeals during the recognition period, including during the period since the file review occurred.

Analyst Worksheet - Response
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Response

In response to the draft staff analysis, the agency provided documentation to demonstrate that it satisfies the “separate and independent” requirements. HLC provided the updated roster of the Appeals Body, to include 15 members as required by the agency’s policy (HLC Exhibit: Appeals Body Roster, September 2022). The agency also provided documentation of training of the new member of the Appeals Body (HLC Exhibit: Appeals Body Training Confirmation).

HLC provided its revised policy relating to the function and composition of the Institutional Actions Council (IAC). The revised policy states that the IAC acts through committees and that at least one committee member out of seven must be a public member (HLC Exhibits: Adopted Policy on Public Member Representation on the Institutional Actions Council; and HLC Policy Book, revised June 2022, INST.D.40.010).

The agency provided documentation that all current IAC members have completed conflict of interest forms within a new enterprise management system that provides identity verification for users (HLC Exhibit: AY 2022-23 IAC Declaration Confirmations). The system provides identity verification by issuing a unique log-in credential that is password-protected to each user. HLC provided documentation of how a user accesses and updates the system (HLC Exhibit: HLC Systems Verification Procedure and
Screenshots). All users are directed not to share their log-in credentials. All IAC members and site visitors (peer reviewers) complete annual and case-specific conflict of interest forms within the password-protected environment and are required to update their profile of any changes that would affect agency assignments. HLC also provided its revised conflict of interest procedure to reflect the use of its new enterprise management system (HLC Exhibit: HLC Conflict of Interest Procedure).

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Criteria: 602.14(c)

Description of Criteria

(c) The Secretary considers that any joint use of personnel, services, equipment, or facilities by an agency and a related, associated, or affiliated trade association or membership organization does not violate the “separate and independent” requirements in paragraph (b) of this section if —

1. The agency pays the fair market value for its proportionate share of the joint use; and
2. The joint use does not compromise the independence and confidentiality of the accreditation process.

Narrative:

Document(s) for this Section

No files uploaded

Analyst Worksheet- Narrative

Analyst Review Status:

Does not meet the requirements of this section

Staff Determination:

The agency needs to provide a response to this section.
Analyst Remarks to Narrative:

The agency did not provide a response to this section. If the agency does not have any joint use of personnel, services, equipment, or facilities, it must provide a statement to that effect.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

In its initial petition for continued recognition, HLC responded that this section was not applicable. In the Draft Analysis, the Department noted that this response was insufficient to demonstrate HLC’s compliance with § 602.15(c). To clarify HLC’s initial response to this section, HLC does not have any joint use of personnel, services, equipment, or facilities. HLC is the sole employer of its staff, the sole lessee of its facilities, and the sole owner of its equipment. Therefore, the requirements of § 602.15(c)(1) and (2) do not apply to HLC and HLC is otherwise in compliance with this section.

Analyst Worksheet - Response
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Response

In response to the draft staff analysis, HLC stated that it does not have any joint use of personnel, services, equipment, or facilities.

List of Document(s) Uploaded by Analyst - Response

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Criteria: 602.15(a)(1)
Description of Criteria
The agency must have the administrative and fiscal capability to carry out its accreditation activities in light of its requested scope of recognition. The agency meets this requirement if the agency demonstrates that—

(a) The agency has—
   (1) Adequate administrative staff and financial resources to carry out its accrediting responsibilities;

Narrative:
HLC has the necessary human and financial resources to carry out its accreditation activities efficiently and competently. As of March 2021, HLC employs 57 full-time and two part-time staff members to provide organizational oversight as well as substantive expertise in areas of focus for the agency. (See EXHIBIT C.7: HLC Organizational Chart) Together, HLC staff administer an accreditation program for approximately 970 accredited and candidate institutions. Said staff are qualified by education and experience in their own right to provide effective oversight over HLC functions and to manage its accreditation activities and related programs.

HLC’s Executive Leadership Team (ELT) consists of cabinet-level senior staff of the agency who have primary administrative oversight over the agency and its operations. In addition, HLC’s senior staff includes several individuals who serve at the Vice President level and other leaders who hold managerial or supervisory authority over various teams and serve on HLC’s Implementation Council. All such staff are qualified by appropriate experience and education. (See EXHIBIT D.1: HLC Executive Leadership Team Members and Brief Biographies, EXHIBIT D.2: Executive Leadership Team, Vice Presidents, and Implementation Council Curriculum Vitae and Resumes, and EXHIBIT D.3: Executive Leadership Team Position Descriptions)

Separate from senior staff, all HLC staff members are trained on HLC standards, policies, and procedures as appropriate for each staff member’s respective role. (See EXHIBIT F.18: Sample Liaison Orientation, EXHIBIT F.19: Recent Staff Training Events, and EXHIBIT F.20: Staff Onboarding Procedure)

HLC has financial resources that are sufficient to support its current operations and to provide for future expansion. The agency regularly evaluates its operations and personnel structure to assure that they are sufficient to meet the expectations for accreditation held by institutions, governmental entities, and the public. HLC maintains a process to ensure the creation and adoption of detailed budgets and its most recent audits demonstrate the organization’s financial solvency. (See EXHIBIT D.6: HLC FY2020 Audit, EXHIBIT D.7: HLC FY2019 Audit, EXHIBIT D.8: HLC FY2021 Budget, and EXHIBIT D.9: HLC FY 2020 budget) HLC has not had to postpone a decision due to insufficient staffing or financial resources during the recognition period. While HLC experienced a drop in revenue due to COVID-19 in FY20, magnified by the cancellation of its 2020 Annual Conference due to the pandemic, HLC was able to absorb the loss utilizing a Payroll Protection Program (PPP) Loan of $[4(4)]. As the COVID-19 pandemic remains ongoing, planning for FY21 has accommodated a downward projection of revenues principally through decreased institutional activity and an effort to keep dues and fees flat to assist institutions. Overall, HLC remains in a strong financial position and maintains significant reserves.

To ensure future sufficiency, in terms of both finances and staff, HLC maintains a rigorous strategic planning process. HLC’s strategic plan presents the agency’s future direction and guides the allocation of resources. The current strategic plan was adopted in February 2021 and will guide HLC’s operations through 2025. (See EXHIBIT G.8: HLC Strategic Plan)
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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section
Analyst Remarks to Narrative:

The agency maintains 57 full-time and two part-time staff members, including its president. Staffing appears adequate to service the number of institutions accredited by the agency. The agency has a clearly defined organizational structure (Exhibit C.7) and the documentation describes the duties and responsibilities of each senior staff member to include all functions and activities expected of a recognized accrediting agency (Exhibit D.3). The agency also provided information and documentation to demonstrate that the senior staff have the qualifications and experience to oversee and carry out the agency's accrediting activities (Exhibits D.1 and D.2). The agency provided training and orientation activities for staff at all levels (Exhibits F.18, F.19, and F.20) and its strategic plan that guides the agency's personnel structure and allocation of resources (Exhibit G.8).

The agency’s budget is sustained through annual dues and accreditation fees collected from its member institutions. The agency's budget and audited financial statements document its financial operations and indicate resources sufficient to ensure the agency's ability to carry out its accrediting responsibilities (Exhibits D.6, D.7, D.8 and D.9). For FY 2020, the agency noted the significant impact of the COVID-19 pandemic on its revenues which it was able to absorb with a Payroll Protection Program (PPP) loan. The agency provided information and documentation that it develops and determines its own budget, with no review by or consultation with any other entity or organization, in Section 602.14(b).

During the virtual file review, Department staff reviewed the resumes/CVs for 23 staff members who oversee and carry out the agency’s major accreditation activities and the staff training materials and roster provided for the prior two years.

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.15(a)(2)
(2) Competent and knowledgeable individuals, qualified by education or experience in their own right and trained by the agency on their responsibilities, as appropriate for their roles, regarding the agency's standards, policies, and procedures, to conduct its on-site evaluations, apply or establish its policies, and make its accrediting and preaccrediting decisions, including, if applicable to the agency's scope, their responsibilities regarding distance education and correspondence courses;

Narrative:
Peer Corps. HLC maintains a trained body of peer reviewers called the Peer Corps. As of March 1, 2021, the Peer Corps is composed of approximately 1,792 volunteers from across higher education, mainly from the 19 states within HLC's current jurisdiction. Members of the Peer Corps come from faculty, academic leadership, administration, student services, and executive leadership positions at member institutions. (See Exhibit C.8: Peer Corps Roster) As will be discussed later in this petition, HLC does not have separate standards for distance/correspondence education courses and all peer reviewers are trained on the applicability of HLC's standards regardless of modality. (See EXHIBIT 4: Overview of the Peer Corps)

The selection criteria for the Peer Corps are detailed in Policy PEER.A.10.010. (See EXHIBIT A.1: HLC Policy Book, p. 197) HLC policy requires that a peer reviewer have appropriate academic degrees as well as at least five years of work experience in higher education. (ibid and EXHIBIT F.21: Sample Biographical Information on Peer Corps Members) Members of the Peer Corps are selected through a competitive admissions process with a focus on accepting individuals with significant experience in the work of higher education and with practitioner experience where appropriate. A detailed explanation of the selection process including HLC's accomplishments and ongoing progress in diversifying the Peer Corps membership is included. (See EXHIBIT F.4: Overview of the Peer Corps)

Peer Corps members are first appointed to a probationary term of two years followed by a full term of four years, which may be renewed at the agency's discretion. Before beginning service, Peer Corps members undergo intensive training in the expectations of HLC and in its policies and procedures. For their first assignments as peer reviewers, new members are placed on a team consisting of experienced peer reviewers who work closely with the HLC Staff Liaison assigned to the institution under review. Peer reviewers will undergo additional training if HLC invites them to participate in more specialized roles, such as on a substantive change panel or on a panel related to Financial or Non-Financial Indicators. (See EXHIBIT A.1: HLC Policy Book, PEER.A.10.030, p. 200 and EXHIBIT F.4: Overview of the Peer Corps)

Peer reviewers also undergo regular evaluations and must periodically participate in refresher training to ensure that they remain current on HLC's policies and procedures. HLC has a methodical and detailed approach to its training of both staff and peer reviewers designed to ensure that all personnel are knowledgeable about the standards and work of HLC and able to execute their responsibilities competently. (ibid)

Decision-Makers. HLC has two primary decision-making bodies: the Board of Trustees and the Institutional Actions Council (IAC). It also has an Appeals Body that is empowered to act as a decision-
making body in the event of an appeal. The Board is an elected body composed of employees of its accredited member institutions and representatives of the public who serve an initial four-year term, with opportunities for renewal thereafter. The Board makes all policy decisions and takes action regarding initial status, sanction, show-cause, withdrawal or denial of status, and applications for Change of Control, Structure or Organization. (See EXHIBIT A.1: HLC Policy Book, INST.D.10.010, p. 106)

The Nominating Committee selects a pool of nominees for institutional representatives to the Board to ensure that they meet the criterion in the Bylaws of being “broadly representative of institutions that are members of HLC.” (See EXHIBIT A.4: HLC Bylaws, Article V, p. 4 and EXHIBIT B.2: Procedure for Identifying and Nominating Board Members) In selecting nominees that are broadly representative of institutions in the membership, the Nominating Committee also seeks to select those who are highly experienced and qualified academic professionals and administrators who are employed by member institutions and are well regarded in higher education and reflect the distinguished institutions of higher education in the region. While experience as an HLC peer reviewer is helpful, it is not required. The Nominating Committee also identifies distinguished individuals with an interest in higher education who also meet the definition of a public member outlined in the Bylaws. The roster of current and recent Trustees demonstrates the experience and education of HLC’s Board members. For example, there are currently nine institutional presidents, three senior administrators, and three faculty members including one former president and one former provost. The institutional representatives typically have a terminal degree in their field. The public members also maintain impressive credentials. HLC currently has an incumbent mayor, a Chief of Staff for a large city, and two Brigadier Generals as public members on its Board. (See EXHIBIT C.2: Board of Trustees Roster and Biographical Information) These individuals are highly qualified to govern HLC.

The Board appoints the members of the IAC and the Appeals Body. The IAC takes final action on routine reaffirmation and substantive change; the Appeals Body acts only in an appeal situation after an adverse action has been taken by the Board of Trustees (withdrawal or denial of status). The selection criteria for IAC and Appeals Body members are similar to the selection criteria for the Board: they must have experience with HLC and be broadly representative of institutions accredited by HLC. (See EXHIBIT A.1: HLC Policy Book, INST.D.20.010, p. 110 and INST.E.90.010, p. 141) In addition, with the exception of public members, IAC members are current peer reviewers; Appeals Body members are typically current or recent peer reviewers with IAC experience. By virtue of this expectation, they already meet HLC requirements for the Peer Corps regarding academic credentials and work experience. They must also have sufficient experience conducting institutional evaluations for HLC to be prepared for a decision-making role.

The Board also appoints qualified individuals to the IAC and the Appeals Body who meet the definition of a public member, as outlined in HLC policy; they must be sufficient in number to allow for at least one public member to be appointed to each committee that takes institutional actions. (See EXHIBIT A.1: HLC Policy Book, INST.D.20.010, p. 110) Beyond meeting the definition of a public member, the requirements for public members on IAC or Appeals are broad. Typically, HLC looks for individuals with a strong background of community involvement and a demonstrated interest in higher education. (See EXHIBIT F.4: Overview of the Peer Corps) These individuals are also appropriately qualified to serve in a decision-making capacity for HLC. (See EXHIBIT F.4: Overview of the Peer Corps, EXHIBIT C.3: Institutional Actions Council Roster, C.4: Sample Institutional Actions Council Biographical Information, EXHIBIT C.5: Appeals Body Roster, and C.6: Sample Appeals Body Biographical Information)

Training. HLC has an extensive training program for peer reviewers and decision-makers. The respective
training programs ensure that all evaluative personnel understand HLC standards and policies and understand how to apply such standards consistently, as further described under §602.18. The training program also provides opportunities for groups to practice their application of the standards through the use of a case study. Finally, each group is trained to understand and execute their role in the evaluative process. (See EXHIBIT F.4: Overview of the Peer Corps for detailed information on HLC’s training processes and explanation of training materials included with this petition, including training related to distance and correspondence education)

Document(s) for this Section

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 Analyst Worksheet- Narrative

 Analyst Review Status:

 Does not meet the requirements of this section

 Staff Determination:

 The agency did not provide information and documentation of training on the review of correspondence courses or direct assessment programs, if applicable, provided to decision-making body members and site visitors.

 Analyst Remarks to Narrative:

 Qualifications of the Board of Trustees
 As outlined in Article IV of the bylaws, the board of trustees is the policy-making body and the main decision-making body of the agency (Exhibit A.4). The current size of the board is 19, but can be comprised of 16-21 members. The bylaws state that the board be comprised of representatives of the public and "broadly representative of institutions that are members of the Commission." HLC utilizes a nominating committee to submit candidates for election to the board (Exhibit B.2). The current roster of the board includes public, academic and administrative representatives (Exhibit C.2). The agency provided biographical information about its current board members to demonstrate that they are qualified to fulfill their roles (Exhibit C.2).

 Qualifications of the Institutional Actions Committee (IAC) Members
 Per agency policy, the IAC is another decision-making body within the agency and has no fewer than 40 members at any time (Exhibit A.1, INST.D.20.010). The IAC members are appointed by the board from the current site visitor roster and "shall be broadly representative of institutions accredited by HLC, with attention to institutional type, control, size, and geographical distribution”. The agency's IAC policies require public representation on all sub-committees and panels, as well as both academic and administrator representation. The current roster of the IAC includes public, academic and administrative representation (Exhibit C.3). The agency also provided sample IAC member biographies to demonstrate that the agency obtains sufficient information to determine that individuals serving in this role meet the agency's required qualifications (Exhibit C.4). In addition, the agency provided example IAC panel rosters to demonstrate implementation of its policies and procedures (Exhibit C.15).

 Qualifications of the Appeals Panel Members
 Per the agency’s bylaws, the appeals panel is a decision-making body (Exhibit A.4). The agency's policy on appeals includes the qualifications and responsibilities of the appeals panel members (Exhibit A.1, INST.E.90.010). The appeal panel members are appointed by the board from the current site visitor roster. The agency maintains a pool of 17 individuals to serve on an appeals panel, which consists of five members when convened (Exhibit C.5). The agency also provided appeal panel member biographies to demonstrate the qualifications of those included in the pool, to include representatives of the public (Exhibit C.6). The agency stated that it has not convened an appeal panel during the recognition period.
and therefore, cannot provide documentation of implementation.

Qualifications of Site Visitors
The agency maintains a pool of over 1700 volunteers to serve as site visitors (peer corps) and provided the list of those individuals (Exhibit C.8). The agency’s policy (PEER.A.10.010) sets specific qualifications for site visitors, which include education and/or experience as an administrator, academic or other subject areas and at least five years of work experience (Exhibit A.1). The selection, training, and evaluation process is also detailed in the overview document provided (Exhibit F.4). The agency provided 18 sample site visitor biographies to demonstrate that the individuals serving in this role meet the agency's required qualifications (Exhibit F.21). In addition, the agency provided example site team rosters to demonstrate implementation of its policies and procedures (Exhibit C.15).

The agency provided information and documentation of its comprehensive and on-going training program for all these individuals, to include site visitor training (initial and on-going), new board and IAC member orientation, annual board and IAC member training, appeals panel training, and online training and resources (Exhibits F.4, F.5, F.11, F.13, and F.14). HLC stated that all agency representatives are trained on the application of standards regardless of modality, but the training program does not reference the review of correspondence courses or direct assessment programs, if applicable, for all agency representatives.

During the virtual file review, Department staff reviewed resumes/CVs for all board members and appeals panel members and a representative sample of IAC members and site visitors. Department staff also reviewed training for all entities for the prior two years, but it was not clear that training was provided on the agency’s standards, policies, and procedures so that they may fulfill their responsibilities regarding the review of correspondence courses and direct assessment.

List of Document(s) Uploaded by Analyst - Narrative

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HLC understands that the Department’s concerns regarding § 602.15(a)(2) pertain to the training of peer reviewers and members of decision-making bodies (including the IAC, Board of Trustees, and Appeals Body) on the application of HLC requirements across various modalities. Specifically, the Department indicated that HLC’s training programs do not explicitly reference correspondence education or direct assessment.

As explained in HLC’s petition for continued recognition, HLC maintains a comprehensive and deliberate training protocol. HLC provides numerous trainings on its requirements to all peer reviewers and members of decision-making bodies. These trainings have consistently been framed so as to apply to an evaluation regardless of program or course modality. As indicated in HLC’s petition, HLC does not have separate requirements based on modality – all academic quality requirements apply equally to all modalities offered by an institution. As demonstrated in the petition and supporting exhibits, HLC’s trainings allow for the effective and consistent application of HLC standards, regardless of modality, including to correspondence and direct assessment courses and programs. (SEE EXHIBIT F.4: Overview of the Peer Corps and EXHIBIT F.5: New Peer Reviewer Training Program)

Nonetheless, HLC understands the Department’s concern that this element of HLC’s training program is not as explicit as it could be. Thus, while HLC has consistently trained peer reviewers and members of decision-making body on the application of requirements across modalities, including to correspondence education and direct assessment, evidence of this aspect of training has been made clearer and more explicit in HLC’s documentation. Based on the Draft Analysis, HLC updated its training programs to include more specific references to different modalities and the application of HLC requirements to those specific modalities. As will be explained in further detail below, HLC has provided a new training to members of its decision-making bodies on correspondence education and direct assessment, and a separate training to members of the Peer Corps. Moving forward, members of the Peer Corps will receive this additional training as part of HLC’s regular training program and it will be included in the training for new IAC and Board of Trustees members.

Members of the Peer Corps

As indicated in HLC’s petition, all members of the Peer Corps undergo initial training on HLC requirements and their application across different modalities, including correspondence education and direct assessment. As stated in HLC’s petition, new peer reviewers are required to complete an intensive 2.5-day, in-person training prior to the start of service, and are then required to undergo regular refresher trainings throughout their term of service. (SEE EXHIBIT F.4: Overview of the Peer Corps) This intensive initial training is geared to the application of HLC requirements, regardless of where any institution offers its programs and across any and all modalities. (SEE EXHIBIT F.5: New Peer Reviewer Training Program, p. 45, p. 123, p. 209, p. 241)

In light of the Department’s feedback, however, HLC supplemented its regularly-scheduled training programs in spring 2022 with additional emphasis on the application of HLC requirements to distance, correspondence, and direct assessment courses and programs. (SEE EXHIBIT J.12: Peer Reviewer Trainings on Modalities) Additionally, in July 2022, HLC recorded a training dedicated to evaluating correspondence education and direct assessment. All peer reviewers were required to complete this supplemental training by September 7, 2022 in order to maintain active status. HLC staff also hosted
two optional Q&A sessions regarding the training that could be completed after the September 7 deadline. (SEE EXHIBIT J.21: 2022 Peer Corps Training Webinar Materials) Therefore, all current and active peer reviewers have completed this training on evaluating correspondence education and direct assessment. Reviewers who did not complete the training were made inactive in accordance with HLC policy and procedure and are unable to participate in evaluative activities unless and until the training is completed. While HLC reiterates that its trainings have always applied to all modalities, HLC nonetheless ensured that all current members of the Peer Corps received this training dedicated to the evaluation of correspondence and direct assessment and the application of HLC’s requirements to these modalities. HLC’s Accreditation Services team tracked completion and ensured that any member who did not complete the training by September 7, 2022, was marked inactive. Given the extent of personal information that would need to be submitted in order to demonstrate implementation of this requirement, HLC has not included the full rosters that demonstrate completion of the training by all active members of the Peer Corps. However, this information is available upon request.

Moving forward, these trainings will be incorporated into HLC’s training program for new members of the Peer Corps. Therefore, HLC will explicitly address the application of HLC requirements to different modalities, including correspondence and direct assessment, in its written documentation for new peer reviewers beginning with the 2022-23 cohort, including the importance of including within team reports, appropriate narrative that explicitly highlights HLC’s active evaluation of institutions’ implementation of such modalities. HLC emphasizes, however, that at the time of this response, all active peer reviewers have received ample training on the application of HLC requirements to and the evaluation of correspondence education and direct assessment.

Members of the Institutional Actions Council

As noted in HLC’s petition for continued recognition, institutional representatives of the Institutional Actions Council (IAC) are experienced members of the Peer Corps. (SEE EXHIBIT F.4: Overview of the Peer Corps, p. 5) Therefore, all of these individuals completed HLC’s initial training program, described above, which trains reviewers on the application of HLC requirements across all modalities. Furthermore, as members of the Peer Corps, these individuals were also required to complete the aforementioned training on evaluating correspondence education and direct assessment by September 7, 2022. Thus, all active institutional representatives on the IAC have completed this training. These members also had the option to attend a voluntary Q&A session regarding the evaluation of correspondence education and direct assessment after the training. (SEE EXHIBIT J.21: 2022 Peer Corps Training Webinar Materials) As noted in the preceding discussion, all future members of the Peer Corps will receive this explicit training, which will encompass any new institutional representatives of the IAC in the future.

As for public members, as explained in HLC’s petition, new public members complete a similar initial training through a series of webinars and interactions with HLC staff. (SEE EXHIBIT F.4: Overview of the Peer Corps, p. 12) This training, while addressing the application of HLC requirements across all modalities, was also not as explicit in this regard as it could have been.

Therefore, to address the Department’s concerns related to this section, HLC provided a supplemental training as part of the IAC Annual Meeting, which occurred in June 2022. All active members of the IAC, both institutional and public members, were able to attend this meeting and the training, which focused on the evaluation of modalities in the decision-making context. (SEE EXHIBIT J.13: IAC Annual Meeting Training) Institutional representatives on the IAC received this training in addition to all the other
trainings for Peer Corps members described in the preceding section, including the required July 2022 training. All public members of the IAC were also required to complete the July 2022 training and completion was a condition of continued service on the IAC. Overall, all active IAC members completed this training on or before September 7, 2022. (SEE EXHIBIT J.21: 2022 Peer Corps Training Webinar Materials) As noted before, HLC’s Accreditation Services team tracked completion and ensured that any member who did not complete the training by September 7, 2022, was marked inactive.

Moving forward, this training focused on modalities, which explicitly addresses the application of HLC requirements to correspondence education and direct assessment, will be included as part of the initial Peer Corps training as described and the corresponding new IAC Public Member training, which will occur in April 2023. Therefore, while the training has been provided to all current members, it will also be provided as a regular training to all future members of the IAC, both institutional representatives and public members.

Board of Trustees

As with new members of the Peer Corps and IAC, new members of the Board of Trustees are provided a comprehensive training on HLC requirements and their application across different modalities. (SEE EXHIBIT F.4: Overview of the Peer Corps, p. 12) Nonetheless, HLC worked to address the Department’s concerns regarding the lack of explicit mention of correspondence and direct assessment in the training materials. As part of this, at its June 2022 meeting, HLC provided a similar training on the application of HLC requirements to correspondence education and direct assessment and all current Board of Trustees members attended this training. (SEE EXHIBIT J.14: Board of Trustees Training on Modalities) Moving forward, HLC’s training for new Board members will include this training.

Appeals Body

As noted in HLC’s petition, members of the Appeals Body are generally selected from the Peer Corps and the IAC (following completion of an IAC term). As members of the Peer Corps, institutional representatives on the Appeals Body were required to complete the aforementioned webinar regarding the application of HLC requirements to correspondence education and direct assessment and the evaluation of these modalities. (SEE EXHIBIT J.21: 2022 Peer Corps Training Webinar Materials) All active institutional representatives of the Appeals Body completed this training. Moving forward, future institutional representatives will have completed the more explicit training noted above as part of their initial training for Peer Corps service.

As for current public members of the Appeals Body, these members completed the training for new IAC Public Members prior to service. (SEE EXHIBIT F.4: Overview of the Peer Corps) As noted earlier, this including training on the application of HLC requirements to any and all modalities. Nonetheless, HLC understands the Department’s concerns expressed in the Draft Analysis and as a consequence, HLC modified the training for new IAC Members and provided a supplemental training to current IAC members in June 2022. (SEE EXHIBIT J.13: IAC Annual Meeting Training) Moving forward, the additional training tailored to the application applicability of HLC requirements to correspondence education and direct assessment will be included in that initial training and all future public members of the Appeals Body will receive that training.

As for the current public members of the Appeals Body, upon the initiation of any appeal, HLC also provides a refresher training, which would include a refresher on the application of HLC requirements across modalities if relevant to the appeal, including correspondence education and direct assessment.
Because HLC has not had an appeal during the recognition period, however, HLC is unable to provide evidence of this training as it relates to the Appeals Body.

Overall, while HLC affirms that it has consistently trained members of the Peer Corps and its decision-making bodies on the application of HLC requirements to different modalities, HLC understands that its training programs had not been sufficiently explicit in this regard. Based on the Draft Analysis, and as explained herein, HLC has revised its training programs to include explicit references to correspondence education and direct assessment and has provided supplemental trainings to these constituencies since receipt of the Draft Analysis. Moving forward, HLC's training programs for new peer reviewers, IAC members, Board members, and the refresher training for Appeals Body members, will regularly include this information.

To demonstrate the effectiveness HLC's approach to training on modalities, including direct assessment, SEE EXHIBIT K.11: Comprehensive Evaluation with Direct Assessment Case Study and EXHIBIT K.12: Direct Assessment Case Study.

Analyst Worksheet - Response

Analyst Review Status:

Substantially Compliant

Staff Determination:

The agency is in substantial compliance with this criterion. HLC must provide documentation that training on the review of correspondence courses and direct assessment has been provided to all decision-making body members (Board, IAC and Appeals Panel members) and site visitors (Peer Corps).

Analyst Remarks to Response

In response to the draft staff analysis, HLC provided information and documentation of training to decision-making body members (Board, IAC and Appeals Panel members) and site visitors (Peer Corps) on the review of correspondence courses or direct assessment programs. However, the documentation did not demonstrate that all decision-making body members and site visitors had completed the additional training.

For site visitors, the agency provided documentation of additional training on methods of delivery (distance education, correspondence courses, and direct assessment) and assessment of those delivery methods (HLC Exhibits: Peer Reviewer Trainings on Modalities and 2022 Peer Corps Training Webinar Materials). HLC stated that the additional training is required to maintain an ‘active’ status as a site visitor, originally effective September 7, 2022, but now effective January 2, 2023 (HLC Exhibit: 2022 Peer Corps Training Webinar Materials, pages 9-10; ED Exhibit 36 - Sample Training Verification Form; ED Exhibit 39 - Sample Reminder to Peer Reviewers - Modality Training Redacted; and ED Exhibit 40 - HLC...
Supplemental Response to (b)(6) - Nov 21 2022). The agency provided documentation that almost 90% of site visitors had already completed the training and that 75% of the remaining site visitors have been deemed inactive, as of November 3, 2022 (ED Exhibit 37 - Training Verification Forms Completed as of November 14 22 and ED Exhibit 38 - Peer Reviewers Made Inactive on Nov 3 2022). HLC stated that the additional training has been added to the training program for new site visitors.

For IAC members, HLC provided documentation of additional training on methods of delivery (correspondence courses and direct assessment) conducted at its June 2022 annual meeting (HLC Exhibit: IAC Annual Meeting Training). The agency stated that all IAC members were required to complete the additional training described above for site visitors and that only two IAC members have not completed the training (ED Exhibit 43 - IAC Members Status of Modality Training and ED Exhibit 44 - HLC Supplemental Response to Department - December 7 2022). If the individuals do not complete the training by January 2, 2023, they will be deemed ‘inactive’ (HLC Exhibit: 2022 Peer Corps Training Webinar Materials, pages 9-10; ED Exhibit 36 - Sample Training Verification Form; ED Exhibit 39 - Sample Reminder to Peer Reviewers - Modality Training_Redacted; and ED Exhibit 40 - HLC Supplemental Response to (b)(6) - Nov 21 2022). The agency stated that the additional training will be added to the training program for new IAC members.

For Board members, HLC provided documentation of additional training on methods of delivery (competency-based education and direct assessment) conducted at its June 2022 meeting (HLC Exhibit: Board of Trustees Training on Modalities). HLC provided the meeting agenda to demonstrate implementation of the training (ED Exhibit 41 - Board Schedule Jun 2022.docx and ED Exhibit 40 - HLC Supplemental Response to (b)(6) - Nov 21 2022). The training did not include correspondence courses, but Department staff reviewed documentation of training on correspondence courses during the virtual file review, as noted in the Section 602.16(d). The agency provided documentation of the availability of online training resources for Board members and stated that the additional training on methods of delivery will be added to the training program for new Board members (ED Exhibit 45 - Diligent Resource Center Webinars Screenshot).

For Appeals Panel members, HLC stated that most of them are selected from the site visitor or IAC membership and that they received the same training as those members, as stated above. The agency also stated that additional training on methods of delivery will be added to the training program for new Appeals Panel members and refresher training would be provided at the time of an appeal. The agency reiterated that it has not convened an appeal panel during the recognition period and therefore, cannot provide documentation of implementation of the refresher training.

List of Document(s) Uploaded by Analyst - Response
Criteria: 602.15(a)(3)

Description of Criteria

(3) Academic and administrative personnel on its evaluation, policy, and decision-making bodies, if the agency accredits institutions;

Narrative:
HLC works to ensure that both academic and administrative personnel are assigned to its evaluation teams as well as on its decision-making bodies, the IAC and the Board of Trustees.

Peer Corps. HLC policy PEER.A.10.010 requires that HLC assure representation on the Peer Corps, evaluation teams, and decision-making bodies, both the IAC, Appeals Body, and the Board of Trustees, of both academics and administrators. (See EXHIBIT A.1: HLC Policy Book, PEER.A.10.010, p. 197) The policy further defines academics as “faculty members, academic deans, or others who have a primary responsibility in the teaching and learning process” and defines administrators as those “who have primary responsibility for providing oversight of an institution of higher education.” The introduction to policies on peer review, stated in PEER.A.00.000, also makes clear that peer reviewers shall reflect the diversity of higher education, and that diversity clearly includes vocational-technical institutions and others that offer certificates and degrees. (ibid, p. 196)

The selection process for peer reviewers strives to ensure that academics and administrators, as well as representatives from a variety of institutions, are selected annually depending on the particular needs of the Corps in that year. Currently, approximately 50% of the Peer Corps are classified as academics, either faculty members, deans or other academic leaders, while the remainder of the Corps is classified as primarily administrators or other. The selection process for peer reviewers attempts to maintain the
balance of institutional type and individual experience from one year to the next. (See EXHIBIT F.4: Overview of the Peer Corps)

Board of Trustees. HLC ensures that there are academic professionals and administrators, as well as representatives from a wide variety of institutions, on its decision-making and policy-making bodies. The Board of Trustees is the policy-making body of HLC and also acts on cases involving initial status, sanctions, show-cause, change of control, structure, or organization, and withdrawal/denial of status. In selecting nominees for this body, the Nominating Committee follows the directive of HLC policy in providing for representation of both academic professionals and administrators on the Board, as well as in reflecting the diversity of institutions in HLC's membership. The Board currently includes three faculty members. In addition, several of the current and former presidents had experience as faculty members earlier in their careers. These individuals have a primary role in the academic program in their institutions and meet the definition of an academic in HLC policy. The remainder of institutional representatives on the Board consists of presidents and chancellors who meet the definition of an administrator. In addition, one Board member is employed by an institution that offer certificates and degrees in vocational-technical education. (See EXHIBIT C.2: Board of Trustees Roster and Biographical Information) HLC has consistently maintained this pattern of representation of academics and administrators as well as institutional diversity on its Board as a review of recent Trustees will demonstrate.

Other Decision-Making Bodies. In appointing institutional representatives to the IAC and to the Appeals Body, the Board also follows the directive in HLC policy, as stated in INST.D.20.010 and INST.E.90.010, of ensuring representation of both academic professionals and administrators as well as of institutional diversity. (See EXHIBIT A.1: HLC Policy Book, INST.D.20.010, p. 110 and INST.E.90.010 p. 141, noting additional selection criteria for IAC and the Appeals Body regarding institutional diversity) Currently, approximately 34% of individuals on IAC meet the definition of primarily academics and approximately 56% percent meet the definition of primarily administrators, with the remaining approximately 10% serving as public members. (See EXHIBIT C.3: Institutional Actions Council Roster) Currently, six of the individuals on the Appeals Body meet the definition of being primarily academics and seven individuals meet the definition of being primarily administrators. (See EXHIBIT C.5: Appeals Body Roster)

In setting an IAC Committee that will review a specific action or group of proposed actions or in the case of an appeal, HLC carefully assembles a committee to assure representation of academics and administrators as well as attention to experience and institutional diversity. A selection of IAC Committees demonstrates an appropriate pattern of representation of academics or administrators as well as institutional diversity on each Committee. (See EXHIBIT C.15: Sample Evaluation Teams, Panels, and Committees)

Evaluation Teams. When setting teams or panels that perform an evaluative function, HLC staff abide by policy PEER.A.10.050, Peer Corps Members on Teams, which requires that teams and panels include representation from academics and administrators, as noted above, and to other HLC policies that anticipate attention in the team-setting process to the types of programs, degree level, number of students served and other variables specific to the institution being evaluated. (See EXHIBIT A.1: HLC Policy Book, PEER.A.10.050, p. 205 and EXHIBIT B.13: HLC Team-Setting Process) Therefore, for example, an evaluation to a vocational-technical institution will include peer reviewers with experience and expertise in vocational-technical education, including the non-degree programs typically offered by such institutions. Teams are also set to ensure representation from academics as well as administrators. (See EXHIBIT B.13: HLC Team-Setting Process and EXHIBIT F.4: Overview of the Peer Corps)
These approaches ensure that decision-making and policy-making bodies and evaluation teams and panels meet regulatory expectations for participation of academics and administrators and appropriate institutional representation in all aspects of HLC's evaluation processes.

Document(s) for this Section

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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency states that the evaluation, policy, and decision-making bodies (site visitors, board members, IAC members and appeals panel pool) are comprised of both academics and administrators and represent the types of institutions accredited by the agency. The policies related to site visitors (Exhibit A.1, PEER.A.10.010), board (INST.D.10.010), IAC (INST.D.20.010), and appeals panel (INST.E.90.010) include the requirement for both academic and administrator representation, as well as definitions for those categories (Exhibit A.1). The agency provided the rosters for all entities (Exhibits C.2, C.3, C.5, and C.8) and example site team rosters, IAC panels and board committees (Exhibit C.15) to demonstrate the required representation. The agency stated that it has not convened an appeal panel during the recognition period and therefore, cannot provide documentation of implementation.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:
HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.15(a)(4)
Description of Criteria

(4) Educators, practitioners, and/or employers on its evaluation, policy, and decision-making bodies, if the agency accredits programs or single-purpose institutions that prepare students for a specific profession;

Narrative:
In addition to the narrative provided under 602.15(a)(3), HLC accredits fewer than a dozen institutions that are truly single-purpose in that they offer only one or more programs in a single discipline such as nursing or law. However, for those institutions HLC does ensure that the team includes an individual who has current or recent work experience in the discipline. A selection of team and panels from the 2021-21 academic cycle, included with this petition, demonstrates an appropriate pattern of representation of academics or administrators as well as institutional diversity in each group. (See EXHIBIT C.15: Sample Evaluation Teams, Panels, and Committees and EXHIBIT B.13: HLC Team-Setting Process)

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section
The agency is an institutional accrediting agency, but does accredit a very small number of single-purpose institutions. For those institutions, the agency includes at least one individual on the site team that has current or recent professional experience in the discipline. The policy related to site visit team selection (PEER.A.10.050) includes the requirement for institutional fit and educational emphasis (Exhibit A.1). HLC provided an example team roster for a site visit to a single-purpose institution to demonstrate implementation (Exhibit C.15).

Criteria: 602.15(a)(5)
Description of Criteria
(5) Representatives of the public, which may include students, on all decision-making bodies; and

Narrative:
As set forth in policy, HLC has representatives of the public, or “public members” as set forth in policy, who meet the federal requirements in both number and qualification, on all of its decision-making bodies. The definition of a public member on the Board of Trustees is identified in Article V, Section 2 of the Bylaws. This definition matches the federal definition of a representative of the public in §602.3. (See EXHIBIT A.4: HLC Bylaws, p. 3-4; See also Exhibit A.5: Trustee Policies Manual, p. 4-5, 22) The Bylaws further make clear, in Section I, that at least one of every seven Trustees must be a public member meeting this definition, in conformity with federal regulations for the proportion of such representatives on decision-making bodies. (See EXHIBIT A.4: HLC Bylaws, p. 3-4) The Board roster demonstrates that this requirement is met in the current and recent composition of the Board. (See EXHIBIT C.2: Board of Trustees Roster and Biographical Information)

Public members on the IAC and on the Appeals Body meet the same definitional and proportionality
requirements as previously stated. The definition of a public member from the Bylaws is repeated in policy INST.D.20.010, to make clear that public members on IAC meet the same definition as those on the Board. (See EXHIBIT A.1: HLC Policy Book, p. 110) Additionally, HLC Policy INST.E.90.010 states that public members on the Appeals Body must meet the definition requirements identified elsewhere in HLC policy. (See EXHIBIT A.1: HLC Policy Book, p. 141.) The rosters of these bodies demonstrate that there are public members on each body. (See EXHIBIT C.3: Institutional Actions Council Roster and EXHIBIT C.5: Appeals Body Roster)

Unlike the Board, the IAC acts through panels of select IAC members which always acts as a committee of the whole. Each IAC Committee that takes actions includes at least one public member, as required by federal regulation. A sample of recent IAC Committees demonstrates that there is a public member on each IAC Committee sufficient to ensure that the Committee meets federal proportionality requirements. (See EXHIBIT C.15: Sample Evaluation Teams, Panels, and Committees) The Appeals Body also acts through panels of five members, which includes at least one public member. [Note: HLC has not had an appeal since the last recognition petition, and the Department reviewed that last appeal during that recognition review.] The IAC and Appeals Body policies and practices demonstrate the participation of appropriate public members to meet definitional and proportionality requirements in this regulation.

HLC maintains a process for seeking and vetting prospective public members. This process begins with the HLC President and/or other HLC staff seeking nominations from institutions, state higher education agencies, current public members, and other groups. (See EXHIBIT B.10: Staff Solicitation Letter for Public Members) In the case of prospective Trustees, the Nominating Committee identifies prospective public members from the vast experience of the committee members. HLC staff or its president then contacts these nominees to discuss whether they meet HLC’s definition of a public member and are interested in this position.

Public members nominated for the Board will then be placed on the ballot and approved by the voting members of HLC. (See EXHIBIT B.11: Board of Trustees Election Ballot) Public members identified for the IAC will be placed on a list of nominees to be considered for appointment by the Board. (See EXHIBIT B.12: IAC Slate of Nominees) Individuals being considered for a public member position on the IAC or the Appeals Body are asked to complete a form confirming that they meet the definition of a public member, as noted above, that aligns with the federal definition. (See EXHIBIT B.7: Sample IAC Confirmation of Public Status/Annual Commitment Form)

Public members elected to the Board will complete an Annual Statement of Commitment, Conflict of Interest, and Disclosure prior to taking office and on an annual basis to confirm that that they continue to meet the definition of a public member. (See EXHIBIT B.5: HLC Board of Trustees Annual Statement of Commitment, Conflict of Interest, and Disclosure) Public members appointed by the Board to the Appeals Body or selected by the President for an Appeal Panel typically have been public members on the IAC; however, in the event that they have not, they must be reviewed by HLC staff and complete a Confirmation of Public Status form. These mechanisms ensure that individuals elected or appointed to decision-making bodies meet the definition of a public member in HLC policy and provide written confirmation of that status prior to assuming the role.
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Analyst Worksheet- Narrative
Analyst Review Status:

Does not meet the requirements of this section
Staff Determination:

The agency did not demonstrate that representatives of the public on the IAC meet the agency’s and Department’s definition.

Analyst Remarks to Narrative:

The agency states that the decision-making bodies (board of trustees, IAC and appeals panel) all include representatives of the public. The policies related to the IAC (INST.D.20.010) and appeals panel (INST.E.90.010) include the requirement for public representation (Exhibit A.1), as does the bylaws for the board (Exhibit A.4). The agency’s definition of a public representative includes the requirements of the definition within the Secretary’s Criteria for Recognition, as stated in the agency’s bylaws and policy (Exhibits A.1, INST.D.20.010 and INST.E.90.010; A.4).

The agency provided the rosters for all entities (Exhibits C.2, C.3, and C.5) and example IAC panels and board committees (Exhibit C.15) to demonstrate the required representation. The agency stated that it has not convened an appeal panel during the recognition period and therefore, cannot provide documentation of implementation.

The agency provided information on how it ensures that its public members meet both the agency’s criteria, as well as the Department’s definition, for that position on each decision-making body. However, the example disclosure forms provided do not demonstrate that the public members of the IAC meet the definition as they do not include either physical or electronic signatures that are verifiable (Exhibit B.7). The example signed disclosure form for the board member demonstrates the public member meets the definition (Exhibit B.5). HLC stated that appeals panel members sign a “Confirmation of Objectivity Form” when a panel is convened, which includes the public member attestation, and therefore, could not provide signed forms.

During the virtual file review, Department staff reviewed all signed attestations by public members on the Board of Trustees. HLC provided additional information and documentation that they are transitioning to a new system that would provide identity verification for disclosure forms signed by the IAC public members, which would be available in response to the draft staff analysis (ED Exhibit 20 - Statement on Public Member Confirmation).

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As explained under § 602.14(b), HLC understands that the Department’s concern in the Draft Analysis is that HLC did not require a “wet” or “digital” signature for public members of the IAC. Instead, at the time HLC’s petition was originally submitted in 2021, HLC only required a type-faced signature.

As explained under § 602.14(b) in this response, HLC’s new enterprise management system resolved this issue for institutional and public representatives of the IAC. As of August 1, 2022, this system is now fully operational, and all declarations are completed within this password-protected environment.

As previously stated under § 602.14(b), HLC properly verifies that a public member of the IAC is the person actually completing the declarations related to conflict-of-interest and public member status. To reiterate, all declarations in the system can only be accessed in the password protected environment. Each public member of the IAC is assigned a unique log-in and password to access HLC their individual profile in the system. This profile includes an individual’s service record with HLC, pending or proposed IAC activities, and required service declarations, including those related to conflict-of-interest. Under HLC procedure, users are not to share their log-in credentials with anyone. An individual’s account is also tied to the user’s primary email address and the system maintains an access log, which includes user IP addresses and location.

Public members of the IAC must complete an annual conflict-of-interest, confidentiality, and objectivity declaration in this new system. To demonstrate the effectiveness of HLC’s new system, a step-by-step guide on how this information is completed, from the perspective of an IAC member, is included as a supporting exhibit. (SEE EXHIBIT J.3: HLC Systems Verification Procedure and Screenshots) Finally, all current IAC members completed these declarations in the new system for AY 2022-23, and a sample of these forms has been provided. (SEE EXHIBIT J.23: Sample AY 2022-23 IAC Declaration Confirmations)

Under this system, a public member of the IAC must immediately report any new relationship described in HLC’s policies and procedures. Any such declaration would immediately be reviewed by staff to determine whether it is of a nature that the individual is no longer qualified to be a public member in accordance with HLC policy. In such a case, the declaration would trigger the member’s removal from the IAC. (See EXHIBIT 1.14: HLC Conflict of Interest Procedure)

HLC’s conflict-of-interest and public member attestation procedures for members of the Board of Trustees and Appeals Body remain as described in HLC’s petition. As noted in HLC’s initial petition for continued recognition, members of the Appeals Body are required to complete Confirmation and Objectivity declarations at the time an Appeals Body is constituted. Because HLC did not have an appeal during the recognition period, no such forms were executed and HLC cannot, therefore, provide any samples for review.

Analyst Worksheet - Response
Analyst Review Status:
Meets the requirements of this section
Analyst Remarks to Response
In response to the draft staff analysis, the agency provided documentation that all current public members of the IAC have completed attestations within a new enterprise management system that provides identity verification for users (HLC Exhibit: AY 2022-23 IAC Declaration Confirmations; ED Exhibit 40 - HLC Supplemental Response to [b)(6] - Nov 21 2022; and ED Exhibit 42 - Completed Annual Statement of Commitment and Disclosures for all IAC Public Members). The system provides identity verification by issuing a unique log-in credential that is password-protected to each user. HLC provided documentation of how a user accesses and updates the system (HLC Exhibit: HLC Systems Verification Procedure and Screenshots). All users are directed not to share their log-in credentials. All IAC members complete annual and case-specific conflict of interest forms within the password-protected environment and are required to update their profile of any changes that would affect agency assignments. HLC also provided its revised conflict of interest procedure to reflect the use of its new enterprise management system (HLC Exhibit: HLC Conflict of Interest Procedure).

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Criteria: 602.15(a)(6)
Description of Criteria

(6) Clear and effective controls, including guidelines, to prevent or resolve conflicts of interest, or the appearance of conflicts of interest, by the agency's—

(i) Board members;
(ii) Commissioners;
(iii) Evaluation team members;
(iv) Consultants;
(v) Administrative staff; and
(vi) Other agency representatives; and

Narrative:
HLC has appropriate policies to ensure that there is no conflict of interest, or the appearance thereof, with regard to its work and has implemented robust procedures to ensure adherence to these policies. [Note that HLC does not employ individuals designated as “Commissioners” although it does benefit from the services of independent contractors in its evaluative work (for example, in the analysis of institutions' interim reports as part of routine monitoring). Separately, HLC also articulates policies
significantly limiting the ability of peer reviewers, who may serve as independent consultants separate from their service with HLC, to act in an evaluative capacity regarding institutions with which they have consulted. (See EXHIBIT A.1: HLC Policy Book, PEER.A.10.040, p. 201)

Staff. HLC maintains a Conflict of Interest and Objectivity policy that is applicable to all employees. (See EXHIBIT D.10: HLC Staff Conflict of Interest and Objectivity Policy) HLC also articulates a policy on Ethical and Professional Conduct policy applicable to all staff. (See EXHIBIT D.11: HLC Staff Ethical and Professional Conduct Policy) HLC’s General Counsel trains all staff in Conflict of Interest as part of the organization’s onboarding process. HLC employees are required to complete an annual Conflict of Interest declaration, which provides information on any potential conflict of interest. The Conflict of Interest Committee consisting of HLC’s General Counsel, Executive Vice President, Chief Financial Officer and Director of Human Resources and Operations review the responses to the conflict of interest declaration to make recommendations to the HLC President as to whether the information presented constitutes a conflict of interest under HLC policy and if so, what steps need to be taken to manage the conflict. If such a conflict is found, the HLC staff member and his or her manager will be informed in writing of any appropriate steps to manage the conflict given the staff member’s role. Otherwise, employees are informed in writing that no further action is required. (See D.12: Sample Annual Conflict of Interest Declaration Form)

Board of Trustees. Trustee Policy III.D requires that Trustees act with impartiality and without conflict in all activities conducted for HLC. (See EXHIBIT A.5: Trustees Policies Manual, p. 4) HLC also maintains a separate procedure related to Trustee conflicts of interest. (See EXHIBIT B.25: Board of Trustees Objectivity and Conflict of Interest Policy and Procedure). Each year, each Trustee must complete an Annual Statement of Commitment and Conflict of Interest Disclosure that requires the Trustee to disclose any relationships or other circumstances that might give rise to a conflict of interest with regard to that Trustee’s work for HLC. This statement includes guidance on what constitutes a conflict of interest, particularly with regard to institutional situations. (See EXHIBIT B.5: HLC Board of Trustees Annual Statement of Commitment and Conflict of Interest Disclosure) Trustees are then required to recuse themselves orally from discussion of, or voting on, an institutional decision in which they have a conflict of interest, or the appearance thereof. Trustees have a strong record of careful recusals regarding individual institutional actions. (See EXHIBIT C.9: HLC Board of Trustees Minutes, p. 35) The orientation program for new Trustees provides additional information regarding conflict of interest. (See EXHIBIT F.14: Board of Trustees New Trustees Orientation) These policies and procedures ensure that Trustees understand and observe HLC conflict of interest expectations.

Institutional Actions and Appeal Panel Members. HLC policies on the Institutional Actions Council and on the Appeals Body require that IAC members and Appeal Panel members respectively act with impartiality and without conflict of interest in their work for the Commission. (See EXHIBIT A.1: HLC Policy Book, INST.D.20.010 p. 110 and INST.E.90.010 p. 141) As with the Board of Trustees, each year, every IAC member must complete a disclosure form in which they must disclose any conflicts or appearance of conflicts. (See EXHIBIT B.6: Institutional Actions Council Conflict of Interest Procedure and EXHIBIT B.7: Sample IAC Confirmation of Public Member Status/Annual Commitment Form) Additionally, during an IAC decision-making meeting, members are required to recuse themselves orally from discussion of, and voting on, any institutional decision in which they have a conflict or the appearance thereof. IAC members demonstrate a pattern of appropriate recusals during IAC meetings. (See EXHIBIT C.10: Institutional Actions Council Minutes, p. 6) For an IAC hearing, IAC members must notify HLC staff in advance of the hearing and ask that they be replaced on the hearing committee. They also complete a Confirmation of Objectivity Form for any hearing in which they do participate, thus verifying their
freedom from conflict of interest. (See EXHIBIT B.8: Sample IAC Case-Specific Objectivity Form) HLC’s orientation procedure for new IAC members provides additional information regarding conflict of interest. (See EXHIBIT F.11: IAC Training Materials)

Because Appeals Body members rarely serve, and only serve in situations in which they have no conflict of interest or the appearance thereof, they complete the appropriate Confirmation of Objectivity Form at the time they accept an assignment to serve on an Appeal Panel. As noted before, HLC has not had an appeal during this recognition period. Therefore, completed copies of such forms are not available. Appeals Body training also explains conflict of interest for Appeals Body members. (See EXHIBIT F.16: Appeals Body Training) HLC policies and procedures effectively ensure that these decision-making bodies understand and follow appropriate conflict of interest expectations.

Peer Reviewers. Observance of appropriate conflict of interest policies and procedures is essential for all peer reviewers who perform a key role in the day-to-day evaluative work of HLC. HLC policy on peer review requires that peer reviewers act with impartiality and without conflict of interest in their work for the agency. (See EXHIBIT A.1: HLC Policy Book, PEER.A.10.040, p. 201) Peer reviewers must notify HLC staff when they are assigned to an evaluation visit, panel, or other evaluative activity that they have a conflict of interest or the appearance thereof and ask to be replaced. Prior to any evaluation visit, panel, or other activity in which they are participating, peer reviewers must also complete a Confirmation of Objectivity Form verifying their freedom from Conflict of Interest. (See EXHIBIT F.2: Sample Peer Reviewer Objectivity and Conflict of Interest Form) HLC’s orientation protocol for peer reviewers explains the agency’s policies and procedures on conflict of interest. (See EXHIBIT F.4: Overview of the Peer Corps and EXHIBIT F.5: New Peer Reviewer Training Program) HLC’s policies and procedures provide effective controls to ensure that peer reviewers conducting the essential evaluative activities understand and abide by the agency’s expectations with regard to conflict of interest.

Document(s) for this Section

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**Analyst Worksheet- Narrative**

**Analyst Review Status:**

Meets the requirements of this section

**Analyst Remarks to Narrative:**

The agency has comprehensive policies and procedures on conflict of interest for board members, IAC members, site visitors, staff, and appeal panel members. The agency's conflict of interest policies cite specific instances of conflict of interest and provide guidance on addressing conflict of interest, such as
recusal from the deliberation and decision-making process and the use of disclosure statements.

The agency has guidelines and conflicts of interest policies for its Board of Trustees within the trustee policies manual (Exhibit A.5) and "Board of Trustees Objectivity and Conflict of Interest Policy and Procedure" (Exhibit B.25). HLC provided the new member orientation and training overview for board members, which includes conflict of interest (Exhibits F.13 and F.14). The agency also provided a completed example of the 'Board of Trustees Annual Statement of Commitment and Conflict of Interest Disclosure' form that the agency requires each board member sign annually as verification of his/her understanding and commitment to the conflict of interest policy and to disclose any conflict of interest (Exhibit B.5). The agency's documentation of board meeting minutes reflects that the agency effectively uses recusals to guard against conflicts of interest (Exhibit C.9). Department staff observed the use of recusal at the February 2022 board meeting.

The agency has guidelines and conflict of interest policies for the IAC within its Policy Book (Exhibit A.1, INST.D.20.010) and “Objectivity and Conflict of Interest Procedure” (Exhibit B.6). The agency provided three completed examples of the 'Annual Statement of Commitment and Conflict of Interest Disclosure' form that the agency requires each IAC member sign annually as verification of his/her understanding and commitment to the conflict of interest policy and to disclose any conflict of interest (Exhibit B.7). The agency also uses a case-specific conflict of interest form for certain IAC hearings and provided documentation of implementation (Exhibit B.8). However, the completed examples of the conflict of interest forms (annual or case-specific) provided did not appear to have sufficient identity verification that the forms were signed by the IAC members. During the virtual file review, HLC provided additional information and documentation that they are transitioning to a new system that would provide identity verification. The agency's documentation of IAC meeting minutes reflects that the agency effectively uses recusals to guard against conflicts of interest (Exhibit C.10). Department staff observed the use of recusal at the January 2022 IAC meeting.

The agency has guidelines and conflict of interest policies for appeals panel members within its Policy Book (Exhibit A.1, INST.E.90.010). The agency stated that appeals panel members sign a "Confirmation of Objectivity Form," when a panel is convened. The agency stated that it has not had an appeal during the current recognition period and could not provide signed forms.

The agency has guidelines and conflict of interest policies for site visitors within its Policy Book (Exhibit A.1, PEER.A.10.040) and “Objectivity and Conflict of Interest Procedure” (Exhibit B.6). The agency provided a completed example of the 'Confirmation of Objectivity' form that the agency requires each site visitor to sign prior to participation on a site team as verification of his/her understanding and commitment to the conflict of interest policy and to disclose any conflict of interest (Exhibit F.2). However, the completed conflict of interest form was not physically-signed or electronically-signed by the site visitor and therefore, does not demonstrate implementation.

On September 8, 2021, Department staff initiated an inquiry into a complaint filed by an institution on August 6, 2021, that among the allegations, an HLC site visitor did not demonstrate objectivity during the on-site review. On November 3, 2021, after a review of information and documentation provided by HLC, Department staff found HLC substantially compliant with Section 602.15(a)(6), as the agency did not demonstrate that it consistently applies clear and effective controls to prevent or resolve conflicts of interest by site visitors (ED Exhibit 2 - OPE Response to HLC Redacted). For the review to the institution, HLC provided signed 'Confirmation of Objectivity' forms for only three of the five site visitors, which did not demonstrate consistent application of that procedure. HLC also provided
documentation that the institution was provided more than one opportunity to review site visitors on the basis of a conflict of interest. HLC responded to the finding with information and documentation to demonstrate compliance with this section. Specifically, HLC has implemented a new enterprise management system, which collects a “Conflict of Interest Confirmation” from each site visitor prior to acceptance of a site visit assignment (ED Exhibit 4 - 2202\(b(6)\) complaint resolution).

The agency has guidelines and conflict of interest policies for staff within its Conflict of Interest and Objectivity policy and Ethical and Professional Conduct policy (Exhibits D.10 and D.11). The agency provided a template and a completed example of the “Conflict of Interest and Objectivity Declaration Form” that is completed annually by staff (Exhibit D.12). The agency stated that the forms are reviewed by a committee of senior staff to determine if any conflict of interest exists and if so, how to manage the conflict.

The agency stated in its narrative that it uses the services of “independent contractors,” but did not provide any information or documentation regarding policies and procedures on conflict of interest that apply to independent contractors, who would be considered “other agency representatives” by the Department. During the virtual file review, Department staff reviewed the contract for the sole independent contractor, which requires the disclosure of any conflict of interest noted in the agency’s policy and defined the specific scope of work (ED Exhibit 8 - Independent Contractor Conflict of Interest_Redacted).

The agency documented the training provided to decision-making body members (Exhibit F.11, F.14, and F.16), site visitors (Exhibits F.4 and F.5), and staff (Exhibits F.19 and F.20) on conflicts of interest.

During the virtual file review, Department staff reviewed additional documentation of HLC’s implementation of its conflict of interest policies and procedures for staff and all agency representatives, and that the agency provides and institutions use their right to review site visitors on the basis of a conflict of interest.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.
Analyst Review Status:

Criteria: 602.15(b)
Description of Criteria

(b) The agency maintains complete and accurate records of—
   (1) Its last full accreditation or preaccreditation review of each institution or program, including on-site evaluation team reports, the institution's or program's responses to onsite reports, periodic review reports, any reports of special reviews conducted by the agency between regular reviews, and a copy of the institution's or program's most recent self-study; and
   (2) All decision letters issued by the agency regarding the accreditation and preaccreditation of any institution or program and any substantive changes.

Narrative:
HLC appropriately maintains its records in keeping with the expectations in this regulation. HLC Policy INST.G.10.020, Official Records, makes clear that HLC will maintain the official records of an institution in its files for at least the last full ten-year accreditation cycle. (See EXHIBIT A.1: HLC Policy Book, p. 177) In that same policy, Definition of Official Records of a Process, HLC outlines what constitutes the official records. These official records include institutional self-studies or similar documents and evaluation team reports; substantive change applications and related panel or team reports; other HLC reports that might be prepared between regular focused or comprehensive reviews; institutional responses to any of these items; and official correspondence. In addition, the policy indicates that for an applying institution the official records will include documents submitted by the institution or prepared by HLC while the institution was in the Commission's Eligibility Process; these records include decision letters regarding whether an institution was able to demonstrate sufficient written evidence of compliance with the Criteria for Accreditation so as to justify scheduling its initial on-site evaluation. Also, HLC Policy on Candidacy and Initial Accreditation, INST.B.20.020, indicates that all HLC records related to an application for candidacy will be retained, even if the institution withdraws that application before achieving candidacy, and be available to HLC staff and peer reviewers subsequently evaluating the institution. (ibid, p. 74) These policies ensure that HLC records are kept for appropriate periods of time and are available for use in the future by staff or peer reviewers assigned to evaluate the institution.

HLC stores the aforementioned reports and other records related to its accreditation responsibilities electronically, as indicated in Policy INST.G.10.020. The HLC Records Retention Procedures and Schedule states that all records will be stored in SpringCM (or an equivalent system), which stores records electronically on secured servers available to HLC staff through the internet. (See EXHIBIT D.13: HLC Records Retention Procedure and Schedule) As set forth in the schedule, critical documents are maintained in perpetuity, including: institutional reports (such as the Assurance Argument or interim report); team reports of any on-site evaluation report; panel reports; progress or monitoring report analyses; institutional responses; and all Action Letters and all correspondence related to those, regardless of whether the institution remains accredited or a candidate or, for applying institutions, achieves such status. Those documents not kept in perpetuity, such as appendices to institutional
reports or Assurance Filings, are maintained for either 12 or 15 years, depending on the document’s classification in the Retention Schedule, which will include two full comprehensive evaluations and any evaluative activities happening between those comprehensive evaluations. (ibid) After expiration of a document’s retention period, the document will be destroyed in accordance with HLC’s retention policy. (ibid) These procedural expectations make clear that HLC has arranged appropriate systems to maintain the records effectively.

Document(s) for this Section

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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency has a records management policy (Exhibit A.1, INST.G.10.020) and procedure (Exhibit D.13), which includes the maintenance of the records required by this section, and indicates where and how records are secured and kept. During the virtual file review, Department staff reviewed records of accredited and preaccredited institutions to ensure complete and accurate records are maintained.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response

Analyst Review Status:
Criteria: 602.16(a)(1)(i)

Description of Criteria

(a) The agency must demonstrate that it has standards for accreditation, and preaccreditation, if offered, that are sufficiently rigorous to ensure that the agency is a reliable authority regarding the quality of the education or training provided by the institutions or programs it accredits. The agency meets this requirement if the following conditions are met:

(1) The agency’s accreditation standards must set forth clear expectations for the institutions or programs it accredits in the following areas:
   (i) Success with respect to student achievement in relation to the institution's mission, which may include different standards for different institutions or programs, as established by the institution, including, as appropriate, consideration of State licensing examinations, course completion, and job placement rates.

Narrative:
For information on HLC’s training processes as they relate to student achievement and the application of these standards during evaluative processes, see EXHIBIT F.4: Overview of the Peer Corps.

As noted under §602.16(d), HLC does not have separate standards or requirements for institutions offering distance and/or correspondence education. All institutions, regardless of delivery modality or Title IV participation, are required to comply with the requirements stated herein.

As is foundational to HLC’s role as an institutional accreditor, the Criteria for Accreditation are viewed in light of institutional mission and institutions are required to exercise professional judgment in determining best sources of evidence to demonstrate compliance consistent with their missions. Relatedly, HLC provides guidance related to examples of evidence for its member institutions. (See EXHIBIT E.7: HLC Guidance - Providing Evidence for the Criteria for Accreditation)

Ultimately, HLC has clear standards regarding two aspects of student achievement: an institution must meet standards regarding: (1) its goals and objectives related to student achievement and (2) its processes for evaluating achievement in meeting its stated goals. These goals must be developed and reviewed at both the program and institutional levels. Together, these standards effectively address the quality of an institution with respect to student achievement. These policies and standards are found in the Criteria for Accreditation, Assumed Practices, Eligibility Requirements, and Federal Compliance Requirements.

From the earliest stage of an institution’s efforts to become a member of HLC, the Commission requires significant attention to assessment and student achievement as a means of promoting academic quality and student outcome measures as codified in HLC’s Eligibility Requirements. While the Eligibility Requirements serve as a minimum threshold of acceptability for an institution to begin seeking status with the Commission, they nonetheless demonstrate high expectations for HLC’s would-be members.
Specifically, Eligibility Requirement #6 requires the articulation of student learning outcomes by program and for the institution to maintain assessment processes for its programs. (See EXHIBIT A.1: HLC Policy Book, CRRT.A.10.010, p. 11)

Within HLC’s Criteria for Accreditation, Criterion Three (Teaching and Learning: Quality, Resources and Support) and Criterion Four (Teaching and Learning: Evaluation and Improvement) both primarily address HLC's expectations of its institutions to maintain strong foundations of academic quality and to advance student achievement, with additional support from linkages in Criterion Five (Institutional Effectiveness, Resources and Planning).

First, Criterion Three requires that an institution provide quality education, 'wherever and however' its offerings are delivered. HLC's institutions are acutely aware of their obligations under this Criterion even during this extraordinarily challenging period of the ongoing COVID-19 pandemic. Specifically, Core Component 3.A requires each institution to ensure that the rigor of its programs is appropriate to higher education. As part of this, each institution must articulate and differentiate learning goals and outcomes for its programs and ensure their consistency across all modes of delivery. (ibid, CRRT.B.10.010, p. 16)

Core Component 3.B requires that institutions offer programs that engage students in mastering various modes of intellectual inquiry or creative work; collecting, analyzing and communicating information; and in developing skills adaptable to changing environments. (ibid) Core Components 3.C and 3.D together articulate HLC’s expectations of its institutions for ensuring the sufficiency and qualifications of faculty and staff and providing robust support both for student learning and for effective teaching. (ibid)

Building on Criterion Three’s foundation, Criterion Four requires institutions to demonstrate responsibility for the quality of their educational programs, learning environments and support services, and to evaluate their effectiveness for student learning through processes designed to promote continuous improvement. Each Core Component within this Criterion further clarifies HLC's expectations for institutions' attention to processes that enhance institutional performance and results. Each Core Component of this Criterion maintains a series of subcomponents that serve to further clarify HLC's standards and the requirements for maintaining compliance.

Core Component 4.A explicitly requires the institution to ensure the quality of its educational offerings. The institution must have a regular practice of program review and must act on its findings in a manner that enables it to evaluate the success of its graduates and ensure that the credentials it represents as preparation for advanced study or employment, as applicable, accomplish these purposes. In doing so, the institution looks to indicators it deems appropriate to its mission. (ibid) Furthermore, this Core Component clearly requires that an institution utilize data gained from program review to make improvements to programs that further its success in achieving its goals and objectives. HLC requires the utilization of such data to be systematized. (ibid)

As the foundation of this standard, an institution is required to establish and articulate outcomes, goals, and objectives for its programs. These measures must be applicable to the institution’s mission and adhere to common practice. The institution must then evaluate whether its graduates are meeting these goals and objectives related to its programs. As part of this, the institution must be able to demonstrate that it is fulfilling its mission in terms of student success, which anticipates review of applicable outcome measures such as: job placement, acceptance into graduate or higher-level programs, or other applicable measures. For example, an institution with an objective of preparing students for a certain career field is required to evaluate the success of its graduates in terms of employment within that field. This Core Component expects that any determination of educational program quality consists of a
review of the institution’s ability to fulfill its claims related to student outcomes. An institution that is unable to fulfill its claims related to program outcomes may be found noncompliant with this standard.

Core Component 4.B requires that an institution engage in ongoing assessment of student learning as part of its commitment to the educational outcomes of its students. (ibid, p. 22) This Core Component anticipates that an institution maintains (1) clearly stated goals for student learning that are appropriate to the institution’s programs and mission; (2) effective institutionalized processes for assessing student learning; and (3) processes for assessing the achievement of learning goals in academic and cocurricular offerings, if the institution makes any claims for learning with respect to its cocurricular programs. This focus on assessment is likewise applied to the program of general education, if one is offered by the institution. The institution is expected to use the information gained from its assessment processes to improve student learning. Its processes and methodologies must reflect good practice in higher education. The institution is expected to integrate the data gleaned from assessment into its strategic planning and budgeting processes, thus ensuring that its efforts toward promoting academic quality and results are properly resourced. (ibid) The processes must also be able to effectively measure the success of the institution in meeting its goals. The institution is expected to maintain processes to incorporate the data and information gained through assessment into program review processes. Lack of appropriate learning goals, processes to review student learning, or failure to integrate institutional learning and data from the assessment process into institutional improvement results in a finding of non-compliance with this Core Component. (ibid)

Core Component 4.C focuses on measures of student outcomes and achievement at the institution level. It requires institutions to pursue educational improvement through goals and strategies that improve retention, persistence and completion rates in its degree and certificate programs. As further articulated by the subcomponents within Core Component 4.C, an institution must have defined goals that are ambitious, attainable and appropriate to its mission, student populations and educational offerings. (ibid) The institution is then required to implement and maintain effective processes for collecting data on the fulfillment of its articulated goals related to persistence, retention, and completion and utilizing those data to improve continuously. Finally, while many HLC institutions use IPEDS, College Scorecard, or National Student Clearinghouse data in this regard, no particular resource is mandated by this Core Component. Instead, institutions are free to develop their own measures of student persistence, retention, and completion, but must be able to demonstrate the validity of such measures as well as their suitability in representing the student populations served by the institution.

Due to text limitations, see EXHIBIT H.6: Addendum to 602.16(a)(1)(i) for the remainder of HLC’s response to this section.

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2021 HLC Membership by the Numbers | EXHIBIT J.26 2021 HLC Membership by the Numbers | - | -

HLC Publication on National Student Clearinghouse Partnership | EXHIBIT J.27 HLC Publication on National Student Clearinghouse Partnership | - | -

HLC Response to 602.16(a)(1)(i) | EXHIBIT J.29 HLC Response to 602.16(a)(1)(i) | - | -

Baker College AQIP Pathway Materials | EXHIBIT K.13 Baker College AQIP Pathway Materials | - | -

Additional Team Reports | EXHIBIT K.14 Additional Team Reports.pdf | - | -

Huntington Junior College Evaluative Materials | EXHIBIT K.15 Huntington Junior College Evaluative Materials | - | -

Student Success Case Study | EXHIBIT K.17 Student Success Case Study.pdf | - | -

Response Cover Letter and Exhibit List | EXHIBIT J.28 Response Cover Letter and Exhibit List | - | -

Analyst Worksheet- Narrative

Analyst Review Status:

Substantially Compliant

Staff Determination:

The agency needs to provide more information and documentation concerning its review of institutions regarding its student achievement standards.

Analyst Remarks to Narrative:

The agency's standards for student achievement in relation to the institution's mission are primarily found within Criterion 4 and are applicable to all institutions regardless of delivery method (Exhibit A.1, CRRT.B.10.010). Each standard ('criterion') includes core components that provide more specific guidance with regard to expectations in that area. The core components related to student achievement require institutions to set learning outcomes, collect and analyze outcomes data, and use the results to evaluate and improve - at both the program and institution level. For example, Core Component 4.A requires an institution to have a regular practice of program review to enable the evaluation of graduate success and to establish outcomes, goals, and objectives for its programs. Core Component 4.B requires an institution to engage in ongoing assessment to improve student learning and Core Component 4.C requires an institution to measure student outcomes and achievement at the institution level. Criterion 3 requires that an institution provide quality education in each program offered no matter the method of delivery and Criterion 5 requires that the institution use the student learning assessment data when...
developing the institution's strategic plan to ensure the allocation of resources towards student achievement.

The agency's Eligibility Requirements and Assumed Practices also include requirements with respect to student achievement. HLC's Eligibility Requirements are applied to all institutions, but primarily serves as the threshold for application to the agency for initial accreditation consideration. Eligibility Requirement #6 requires an institution to articulate student learning outcomes by program and for the institution to maintain assessment processes for its programs (Exhibit A.1, CRRT.A.10.010). HLC's Assumed Practices are requirements that the agency states are essential to all institutions of higher education and that all institutions are expected to comply with them at all times. Assumed Practice A.6 requires all data publicized by an institution, to include student achievement, are accurate and Assumed Practices C.6 and C.7 set the clear expectation that institutional data on student learning, assessment, and student outcomes are accurate (Exhibit A.1, CRRT.B.10.020).

The agency's Federal Compliance Requirements are applicable to all institutions regardless of participation in the Title IV funding program, and state that "an institution shall demonstrate that, wherever applicable to its programs, its consideration of outcome data in evaluating the success of its students and its programs includes course completion, job placement, and licensing examination information" (Exhibit A.1, FDCR.A.10.010 and FDCR.A.10.080). HLC revised the Federal Compliance Filing and review process for the evaluation of Federal Compliance Requirements to eliminate redundancies in September 2020 (ED Exhibit 9 - Fed Compliance Overview). The specific areas removed from the Federal Compliance Filing, to include the review of student outcomes data, are reviewed within the specific Criteria for Accreditation during a comprehensive evaluation, as demonstrated in the examples provided in the petition and during the virtual file review.

HLC described its history and how it determines that its standards and review of student achievement are sufficiently rigorous to ensure that the agency is a reliable authority regarding the education provided by the institutions it accredits (Exhibit H.3). The agency states that based on the diversity of its membership, no single evaluative method or measure would be effective or feasible but has found a continuous improvement model at the institutional level to be effective. HLC further states that its standards promote a "culture of assessment" and expects an institution to set student achievement goals, assess the attainment of those goals, and use the assessment to revise and improve its goals. HLC has also continued to seek ways to improve its approach to student achievement and utilized a grant from the Lumina Foundation to conduct its research and share its findings (Exhibit G.1).

The agency provides support to institutions in developing appropriate measures of student achievement and maintaining focus on continued improvement in the form of academies and workshops (Exhibits D.14 and G.2). These academies and workshops promote compliance with the agency's standards, support sharing of best practices, and provide strategies for improvement for institutions. HLC also provides guidance to institutions on what documentation to provide to demonstrate compliance with the agency's standards (Exhibit E.7).

The agency does not require the collection or submission of specific outcomes data with regards to student achievement. Instead, the agency allows each institution to establish its own indicators of student achievement, which could include course completion, State licensing examination, and job placement rates, as appropriate. HLC requires an institution to submit its student achievement information and documentation with its self-study (or similar document depending on the type of review) and make that information available for verification by the site team. That information and
documentation is examined and evaluated by the site visitors to assess the institution's compliance with the agency's standards (Exhibit F.4). Specifically, the site visitors must determine if institutionally identified outcomes and goals are appropriate and sufficiently rigorous in light of its mission; if the institution is identifying and implementing appropriate student learning assessment activities; if the institution is reviewing student achievement data and is implementing necessary changes to strategic planning; and if the institution is working to improve student outcomes.

Beyond a comprehensive accreditation review, HLC also reviews “non-financial indicators” on an annual basis as part of the institutional update process (Exhibit B.16). The agency provided the process it uses to review the non-financial indicators, to include student achievement disclosures and graduation/persistence rates when compared to peer institutions (Exhibit B.17). HLC provided an example of when the agency found an institution reported weak graduation and persistence rate compared to peer institutions in the annual report and required the institution to provide additional information and documentation to demonstrate compliance (Exhibit E.9).

The agency provided examples of self-studies, and the evaluation of those self-studies by both the on-site team and the board and/or IAC to demonstrate the consistent application of its student achievement standards during comprehensive accreditation reviews (Exhibit E.2, pages 52-68, 307-317, and 349; Exhibit E.3, pages 52-74, 482-491, and 538; and Exhibit E.4, pages 73-102, 403-410, and 443). HLC also provided an example of when the agency found an institution out-of-compliance with its student achievement standards (Exhibit E.5, part 1, pages 95-119; and part 2, pages 188-194, 376-380, and 486-491). This material demonstrates how institutions document success with respect to student achievement in relation to the institution’s mission, and how the agency reviews such information, to include making a judgment about the appropriateness of the measures of student achievement chosen and the rigor of the goals established by the institution.

HLC includes outcomes as a prominent section in its strategic plan (“EVOLVE 2025”) and stated it is partnering with the National Student Clearinghouse (NSC) to enhance its focus on student success and the use of data (Exhibits G.8 and H.4). HLC states that NSC will create reports in three areas (completing college, persistence and retention, and tracking transfers) based on enrollment and degree data provided by participating HLC institutions. HLC further states that the NSC reports will “better inform HLC’s work as it looks toward future pilot projects including differential accreditation.” Within its narrative, the agency states that “many HLC institutions use IPEDS, College Scorecard, or National Student Clearinghouse data” when addressing Core Component 4.C which requires the demonstration of student achievement at the institutional level, but that it is not required. HLC provided documentation of its review of institutional-defined success with respect to student achievement within self-studies, site visits and an annual report and has stated that outcomes “demonstrate success and opportunity – for students and their institutions” within its strategic plan.

Two written comments expressed concern about HLC’s review of student achievement based on data reported in the College Scorecard (Public Comment Navarro and Public Comment Moultrie). One written comment noted the College Scorecard measure of how many of an institution’s students earned more than the average high school graduate six years after enrollment and the rate for an HLC-accredited institution, Baker College. The 41% reported in the College Scorecard for Baker College is roughly equivalent to those who never went to college. The College Scorecard also reports that less than ¼ of the students graduate from Baker College. During the virtual file review, Department staff reviewed the comprehensive evaluation of Baker College in 2020, which included the site team report. The site team noted the review of completion rates in Core Component 4.C, but did not appear to make a judgment
about the appropriateness of the measures of student achievement chosen. Specifically, the site team noted that institution’s focus on low completion rates was due to an inquiry by HLC and that the institutional efforts to improve those rates are still new and untested (ED Exhibit 12 - 1977 20200305 Reaffirmation Review AQIP - Team Report_Redacted, pages 37-42). Another written comment noted that the College Scorecard reported that an HLC-accredited institution, Huntington Junior College, has a 17% graduation rate and a low percentage of students who earn more than the average high school graduate six years after enrollment. In response to the draft staff analysis, HLC needs to provide any review and improvements taken with regard to its review of student achievement since the submission of the petition, both in regard to the specific institutions identified in the comments and more broadly.

During the virtual file review, Department staff reviewed documentation of guidance provided to institutions on the preparation of a self-study and of training provided to site visitors on what to evaluate in self-studies and on-site to determine compliance with standards. Department staff reviewed the accreditation reviews for eight institutions.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

As noted in the Draft Analysis, HLC maintains a series of comprehensive and rigorous standards regarding student success. The phrase “student success” reflects HLC’s approach to consideration of both student achievement and student outcome measures. In its response to this section, HLC will address the Department’s concerns by demonstrating consistent application of these requirements, the provision of high-impact support to member institutions in this area, and a commitment to continuous, data-driven improvement. Due to the character limitations in the Department’s system, please see EXHIBIT J.29: HLC Response to 602.16(a)(1)(i) for HLC’s response to this section.

Analyst Worksheet - Response
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Response

In response to the draft staff analysis, HLC provided additional information and documentation regarding its review of student achievement. The agency’s comprehensive narrative response is included as HLC Exhibit: HLC Response to 602.16(a)(1)(i).
HLC reiterated its student achievement standards (Criteria and Core Components) and requirements (Assumed Practices, Eligibility Requirements, and Federal Compliance Requirements) noted in the draft staff analysis. The agency restated that its standards and requirements are comprehensive and rigorous, while taking mission, context and student population into account, and emphasize continuous improvement based on institution-identified measures. HLC stated that it consistently applies its standards and requirements and holds institutions accountable to the self-identified measures. The agency provided an additional example of its application of its student achievement standards and requirements (HLC Exhibit: Student Success Case Study, p. 39-49, 424-428).

HLC also described its standards and requirements regarding the accurate disclosure of data to current and prospective students, to include Core Component 2.B; Assumed Practices A.6 and C.6; and policies CRRT.C.10.010 and FDCR.A.10.070, as an important aspect related to student achievement (HLC Exhibit: HLC Policy Book, June 2022). The agency stated and provided documentation that it obtains information about student achievement via student surveys, which can be used by the site team and for compliance determinations (HLC Exhibits: HLC Policy Book, June 2022, INST.F.10.010; Baker College AQIP Pathways Materials; and Huntington Junior College Evaluative Materials).

The agency declared its commitment to evaluating and improving student achievement but stated it does not have bright-line standards, as those do not promote institutional diversity of mission and purpose. HLC provided the graduation rate study it conducted in 2017, as part of a larger study, as an example of its commitment to evaluating and improving student achievement (HLC Exhibit: C-RAC Graduation Rate Study). HLC stated that the study analyzed institutions with low graduation rates based on federal data and found that a single “graduation rate” did not accurately capture student achievement at non-traditional institutions or account for an institution’s mission, such as open-access or Tribal. For Tribal institutions, the agency developed a guide to provide the unique history and purpose of those institutions for context within an accreditation review (HLC Exhibit: HLC Publication of Tribal Colleges and Universities).

HLC also provided research and findings on improving its approach to student achievement based on the 2017 study and funded by a Lumina Foundation grant (Exhibit G.1 and HLC Exhibit: HLC Lumina Initiative). The agency stated that the research found that measures and variables other than traditional graduation and retention rates could more accurately reflect student achievement. The recent partnership with the National Student Clearinghouse (NSC) enabled HLC to obtain aggregate data on persistence, retention, completion, and transfer outcomes for student cohorts submitted by institutions on an annual basis (HLC Exhibit: HLC Publication on National Student Clearinghouse Partnership). With institutional consent, NSC will provide institutional-level reports on outcomes data to HLC starting at the end of 2022. Within the HLC Publication on National Student Clearinghouse Partnership, HLC stated that
it will use the NSC data, federal data sources (IPEDS and College Scorecard), and student success measures survey data to advance student achievement efforts. The agency specifically stated that “[t]he research results will guide HLC in developing benchmarks for differentiated groups of institutions and enhance its capacity to monitor and review institutional performance relative to student outcomes,” (HLC Exhibit: HLC Publication on National Student Clearinghouse Partnership, p1).

HLC stated it is committed to an increased use of data in decision-making and for continuous improvement. The agency added a staff member in 2018 to lead HLC’s data collection and analysis (HLC Exhibit: Director of Institutional Research Position Description). The agency stated that the staff member provided an analysis of IPEDS, NSC, and College Scorecard data to assist HLC develop new review and monitoring approaches related to student achievement. HLC also illustrated the functional limitations of some of the data related to graduate programs and transfer students and its efforts to effectively assess student achievement. The agency stated that it has suspended the use of one non-financial indicator (Weak Graduation/Persistence Rates Compared to Peers) from its monitoring approaches due to the data limitations described, as it researches better student achievement measures. HLC described other data sources that it utilizes, to include the NACIQI Accreditor Dashboard, site visit team report data, and HLC activity dashboard (HLC Exhibits: 2020 Analysis of Interim Reports; 2020 Analysis of Team Reports; Sample Dashboard of HLC Activities, June 2022; February 2017 NACIQI Accreditor Dashboard). The agency reiterated the guidance and support provided by HLC to institutions to improve student achievement provided in the petition.

HLC stated that it is also committed to enhancing transparency of student achievement measures. To assist students in navigating and utilizing published data, HLC developed an informational guide based on its collaboration with external constituencies, to include students, in October 2022 (ED Exhibit 50 - HLC Complete Student Guide on 12.06.2022). The agency stated that the guide is to provide greater transparency of student achievement data, to include information on the major data sources and explanations as to what various data measures mean, and how to use the data to compare institutions.

HLC provided additional information and documentation related to the review of student achievement of the two institutions noted in the draft staff analysis from third-party comments. The agency emphasized that the focus on one or two data points for those institutions does not provide a comprehensive review of student achievement, as described throughout its narrative.

For Baker College, the agency described the accreditation review via the AQIP Pathway, which provided continuous assessment and feedback over an eight-year cycle. HLC provided documentation of the evaluation of Baker College for its 2012-2020 cycle (HLC Exhibit: Baker College AQIP Pathways Materials). The agency stated that it followed its AQIP Pathway policies and procedures in the review of
Baker College, to include student achievement. HLC noted that the AQIP Pathway is no longer used, as of 2020, and acknowledged that the site team report for Baker College did not explicitly include an assessment of the appropriateness of the measures of student achievement chosen. The agency also stated that the lack of such an assessment would not occur under the current Standard and Open Pathways due to the standard expectations of site team evaluations and reports. HLC provided examples of current site team reports as documentation of implementation of current practices (HLC Exhibit: Additional Team Reports). The agency also stated that the IPEDS 8-year award completion data, which includes graduates and students who successfully transfer, for Baker College showed improvement and demonstrated that HLC holds institutions accountable to continuous improvement.

For Huntington Junior College, the agency stated that the institution’s graduation rate is significantly influenced by its mission and location. HLC noted that the open-access mission, socioeconomic status of its students, and other local statistics, such as a high poverty rate, affect the institution’s graduation rate and its accurate comparison to institutions across the country (HLC Exhibit: IPEDS 2020 data). The agency described the institution’s efforts to improve student achievement and provided documentation that it evaluated the institution’s compliance with HLC’s student achievement standards and requirements (HLC Exhibit: Huntington Junior College Evaluative Materials).

Based on the information and documentation provided, HLC has demonstrated consistent and effective implementation of its student achievement standards and requirements.

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Criteria: 602.16(a)(1)(ii)
Description of Criteria

(ii) Curricula.

Narrative:
For information on HLC’s training processes as they relate to curriculum and the application of these
standards during evaluative processes, see EXHIBIT F.4: Overview of the Peer Corps.

As noted under §602.16(d), HLC does not have separate standards or requirements for institutions offering distance and/or correspondence education. All institutions, regardless of modality or Title IV participation, are required to comply with the requirements stated herein.

HLC maintains standards related to an institution’s curriculum that serve to ensure the delivery of high-quality education. Included in these standards are expectations regarding general education, review of the curriculum, and support of the institution’s programs, which serve to promote an effective curriculum. HLC’s standards promote the alignment of an institution’s curriculum and programs to its mission and generally accepted practices in higher education.

HLC’s standards regarding an institution’s curriculum and programs are primarily found in Criterion Three. The purpose of the Criterion is to set standards that ensure the delivery of high-quality education wherever and however institutions offer educational programs. As required by Criterion Three, Core Component 3.A, an institution is expected to offer programs and a curriculum that is appropriate to higher education and its mission. As stated in the standard, an institution’s courses and programs must be appropriate to the credentials awarded by the institution. Furthermore, these offerings must be of consistent quality across all modes of delivery, including distance delivery, dual credit, or any other arrangement, and on-the-ground offerings, or any other arrangement. The institution must be able to demonstrate that the education delivered to students is equally effective across these various modalities. The Core Component also requires that the learning goals and objectives for programs be clearly articulated and differentiated across its program types (specifically, undergraduate, graduate, post-baccalaureate, etc.). (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.010, p. 16) This standard ensures the consistency of the curriculum across the institution.

Core Component 3.B and the related subcomponents provide clear expectations regarding the foundation of an institution’s curriculum. This standard requires an institution to maintain a curriculum that is appropriate to the institution’s mission, offerings, and programs. The curriculum must serve to promote the acquisition of knowledge that is expected of a student of higher education. This includes the endowment of a strong framework of basic intellectual concepts and the learning of the skills, concepts, and abilities required for success in the field of study. Similarly, the standard requires that an institution prepare students for the diversity of the world and that both students and faculty be prepared to contribute to scholarship and the discovery of knowledge. As the standard makes clear, a strong general education program, grounded in a commonly accepted framework, is a required component of an institution’s curriculum. This standard serves to ensure that an institution’s curriculum provides students the knowledge and skills necessary for success upon completion of the program. (ibid)

While the standards in Criterion Three set expectations regarding the components of the curriculum, Criterion Four, Core Component 4.A establishes expectations that require an institution to continually review the effectiveness of its curriculum is achieving its goals. Along with its subcomponents, Core Component 4.A requires that an institution undertake continuous efforts to ensure program quality and make revisions as necessary based on data obtained through its assessment processes. As set forth in the standard, an institution is required to undergo program reviews across the entire institution on a regular cycle. The expectation set herein is that an institution continually ensures that its curriculum remains relevant and effective. An effective system for program review and assessment is necessary to ensure the quality of the curriculum. HLC’s standards ensure that an institution undertakes these efforts. (ibid p. 20-21)
Under Core Component 4.A, an institution is also required to ensure that it has policies in place to ensure the quality of any credit it transcripts and that it exercises authority for rigor and expectations across its program. This standard ensures that any credit accepted by an institution meets the expectations of quality and appropriateness expected of a member institution. Similarly, this standard ensures that an institution provide a curriculum and program that is of appropriate rigor to the program level. (ibid)

An institution is also expected to maintain processes for evaluating the success of its graduates as it relates to stated program outcomes. Core Component 4.A anticipates that the institution maintains effective processes for ensuring that its students are achieving the stated goals upon completion. As part of this Core Component, an institution must look to indicators appropriate to its mission, such as employment rates, admissions rates to advanced programs, or internships. Through evaluation of student success, an institution is able to ascertain the effectiveness of its curriculum. Attention to outcome measures serves as an indicator of the quality of an institution’s programs and offerings. (ibid)

HLC’s Assumed Practices also set additional standards regarding curriculum. Assumed Practice B.1(a-h) requires that an institution conform to commonly accepted minimum program length, to maintain structures and/or practices to ensure quality programming, and to have appropriate levels of rigor, academic load, and course offerings. As noted in the standard, HLC possesses a minimum credit hour requirement for an institution’s general education program. Ultimately, these standards require an institution to adhere to common practice and ensure an institution meets a basic expectation regarding program quality. (ibid, CRRT.B.10.020, p. 24)

Similar standards are also found in HLC’s Eligibility Requirements. Specifically, Eligibility Requirement #6 requires that an institution have program and degree offerings appropriate to its mission, with appropriate coursework, and with clearly articulated learning goals for programs even as it seeks to apply for accreditation status. (ibid, CRRT.A.10.010, p. 11)

With these standards, HLC creates a uniform expectation regarding the outcomes of an institution’s curriculum – programs must align to and support its stated objectives. With the standards related to general education, students are expected to acquire the same basic set of skills, knowledge, and abilities regardless of their institution. Additionally, HLC ensures that an institution’s curriculum undergoes regular reviews, tied to the institution’s mission and objectives, which maintains and advances the quality of programs. As demonstrated by the case studies included with this petition, HLC’s standards ensure an institution’s curriculum is effective and appropriate. (See EXHIBIT E.2: Sample Comprehensive Evaluation 1 p. 33-62 and 297-313, EXHIBIT E.3: Sample Comprehensive Evaluation 2 p. 30-67 and 471-487, and EXHIBIT E.4: Sample Comprehensive Evaluation 3, p. 40-88 and 390-402)

Document(s) for this Section

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The agency’s standards for curricula are primarily found within Criterion 3 and are applicable to all institutions regardless of delivery method (Exhibit A.1, CRRT.B.10.010). Each standard (‘criterion’) includes core components that provide more specific guidance regarding the expectations in that area. The core components related to curricula require an institution to have clearly defined competencies, and the curricula must be sequenced and structured to allow for the achievement of those competencies. Core Component 3.A requires an institution to offer programs with curricula that are appropriate to its mission and to the credentials awarded. Core Component 3.B requires an institution’s curriculum to provide students the knowledge and skills necessary for success upon completion of the program. Criterion 4 requires that an institution to continually review the effectiveness of its curriculum in achieving its goals and to provide a curriculum appropriately rigorous to the program and the credential level.

The agency’s Eligibility Requirements and Assumed Practices also include requirements with respect to curricula. HLC’s Eligibility Requirements are applied to all institutions, but primarily serves as the threshold for application to the agency for initial accreditation consideration. Eligibility Requirement #6 requires that an institution have program and degree offerings appropriate to its mission, with appropriate coursework, and with clearly articulated learning goals for programs (Exhibit A.1, CRRT.A.10.010). HLC’s Assumed Practices are requirements that the agency states are essential to all institutions of higher education and that all institutions are expected to comply with them at all times. Assumed Practice B.1 sets the basic expectations for curricula that support the standards, to include the minimum requirements for program length, rigor of work at the graduate level, content and rigor of courses that apply to degrees, and minimum requirements for general education (Exhibit A.1, CRRT.B.10.020).

HLC requires an institution to submit its curricula information and documentation with its self-study (or similar document depending on the type of review) and make that information available for verification by the site team. That information and documentation is examined and evaluated by the site visitors to assess the institution’s compliance with the agency’s curricula standards (Exhibit F.4). The agency provides guidance to institutions on what documentation to submit and to on-site teams on how to determine compliance with the agency’s standards regarding curricula (Exhibit E.7).

The agency provided examples of self-studies, and the evaluation of those self-studies by both the on-
site team and the board and/or IAC to demonstrate the consistent application of its curricula standards during comprehensive accreditation reviews (Exhibit E.2, pages 33-51, 297-306, and 349; Exhibit E.3, pages 30-51, 471-481, and 538; and Exhibit E.4, pages 40-72, 390-402, and 443). The example in Exhibit E.3 is one of when the agency required interim monitoring based on curricular concerns. This material demonstrates the institution addressed the self-study in the area related to curricula, and how the agency reviews such information in determining compliance with its standards.

During the virtual file review, Department staff reviewed documentation of guidance provided to institutions on the preparation of a self-study and of training provided to site visitors on what to evaluate in self-studies and on-site to determine compliance with standards. Department staff reviewed the accreditation reviews for eight institutions, which included the review of curricula.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.16(a)(1)(iii)
Description of Criteria

(iii) Faculty.

Narrative:
For information on HLC’s training processes as they relate to faculty and the application of these standards during evaluative processes, see EXHIBIT F.4: Overview of the Peer Corps.

As noted under §602.16(d), HLC does not have separate standards or requirements for institutions offering distance and/or correspondence education. All institutions, regardless of modality or Title IV participation, must comply with the requirements stated herein.

HLC maintains standards related to an institution’s faculty that ensure the delivery of quality instruction and the acquisition of intellectual skills appropriate to an institution’s programs. HLC’s standards address the qualification of faculty members, the supports that an institution must provide to its faculty,
and the role of faculty in both instructional and non-instructional activities. These standards are primarily defined in the Criteria for Accreditation and Assumed Practices.

Criterion Three, Core Component 3.C requires that an institution have the faculty and staff needed for high-quality programs and services. This Core Component anticipates that an institution maintains a sufficient number and continuity of faculty members for both classroom and non-classroom activities. Non-classroom activities include faculty participation in/oversight of the curriculum, involvement in developing assessment, and setting expectations for student performance. As described in policy, an institution with a higher than normal turnover rate of faculty will be flagged under this standard, which may serve as the basis for a finding of noncompliance. The Core Component also requires that faculty members be properly qualified for their roles and that the institution maintains processes and resources for ensuring that instructors remain current in their disciplines and roles (i.e., ongoing professional development). (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.010, p. 16)

Criterion Five of the Criteria for Accreditation sets forth the Commission’s standards regarding the allocation and maintenance of resources necessary to achieve the institution’s mission. Core Component 5.B requires that an institution maintains a resource base to support current offerings and to support plans for maintaining and strengthen their quality in the future. It further requires that the resource allocation and planning processes align to the institution’s stated mission. The institution’s planning process and resource allocation related to faculty are part of an institution’s compliance with this standard. Thus, an institution needs to have sufficient faculty to serve students effectively based on the mission of the institution and the programs it offers. When this Core Component is reviewed, HLC ensures that an institution has faculty necessary to deploy the institution’s educational programs and the resources to support the faculty and plans to maintain that support in the future. (ibid)

HLC standards also address the role of faculty and staff in oversight of various institutional operations. As stated in Core Component 5.A, an institution must have effective governance and leadership structures. As mentioned in the subcomponents, this requires an institution to have policies and processes in place to ensure faculty and staff involvement in establishing academic requirements, policies, and curriculum development. It also anticipates that the governing board of the institution receives input from faculty when considering academic and related issues at the institution, in addition to fulfilling their other responsibilities as board members. (ibid)

Specifically, B.2.a defines a qualified faculty member: under HLC policy, instructors must have a degree, relevant to their field of instruction, at least one level above the level that they teach. For doctoral degree programs or programs awarding a terminal degree other than a doctorate, the instructor must possess the doctoral or terminal degree relevant to the degree. For general education and dual-credit courses, the faculty member must possess a Master’s degree in the discipline being taught or if the Master’s degree is another field, the faculty member must have taken a minimum of 18 additional graduate credit hours. As stated in the Assumed Practice, an institution may grant exceptions based on equivalent experience. HLC’s standards intentionally do not define equivalent experience. Rather, it is the institution’s responsibility to develop the appropriate processes for determining such experience. In evaluation of this requirement, the institution must grant any exception in accordance with its own policies. Ultimately, this standard serves to ensure that an institution maintains faculty members who are appropriately qualified for the subject-matter they teach, a key factor in ensuring quality instruction. (ibid, CRRT.B.10.020, p. 24; see also EXHIBIT G.3: HLC Faculty Guidelines, and EXHIBIT G.4: HLC Dual-Credit Guidelines) Assumed Practice B.2.c also sets forth expectations regarding faculty participation in certain institutional processes, including developing curriculum, setting expectations of student
performance, establishing academic qualifications, and analyzing outcome data. An institution must maintain processes that ensure faculty participation and oversight of these processes. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.020, p. 24)

Faculty is also addressed through the Eligibility Requirements. Specifically, Eligibility Requirement #10 states that an institution must have qualified faculty and other staff in sufficient numbers to support academic programs. This Eligibility Requirement also ensures that faculty and staff are appropriately qualified in their roles. As with the Criteria for Accreditation and Assumed Practices, this Eligibility Requirement also requires that institutions seeking status with HLC maintain processes and structures for faculty participation in institutional operations (See EXHIBIT A.1: HLC Policy Book, CRRT.A.10.010, p. 11)

Furthermore, Assumed Practice A.3 requires an institution to provide faculty and staff with policies and procedures informing them of their responsibilities within the institution, including that of maintaining the confidential records of students (ibid, CRRT.B.10.020, p. 246)

HLC’s Student Opinion Survey also addresses issues of faculty, including qualifications and availability. Teams review the survey data and responses during the comprehensive evaluation processes. Under HLC policy, the survey is administered to an institution prior to any comprehensive evaluation. (ibid, INST.C.20.010, p. 105) The questions and statements in the survey itself provide a clear mechanism for the gathering of data that informs decisions regarding an institution’s compliance with HLC standards regarding faculty.

HLC’s standards are effective in assuring the quality of faculty. As demonstrated by the case studies included with this petition, HLC’s standards ensure that an institution maintains an appropriate number of qualified faculty who are properly supported by the institution and maintain effective oversight of instruction. (See EXHIBIT E.2: Sample Comprehensive Evaluation 1 p. 33-62 and 297-313, EXHIBIT E.3: Sample Comprehensive Evaluation 2 p. 30-67 and 471-487, and EXHIBIT E.4: Sample Comprehensive Evaluation 3, p. 40-88 and 390-402)

These standards are effective for evaluating and assuring the quality and sufficiency of an institution’s faculty and staff, as the Criteria for Accreditation, Assumed Practices, and Eligibility Requirements require an institution to maintain appropriate levels of qualified faculty and staff and ensure faculty participation in institutional processes. These standards ensure that an institution maintains faculty members who are qualified for their positions and properly supported in their roles. In doing so, these standards support quality programs and instruction.

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The agency’s standards for faculty are found within Criteria 3 and 5 and are applicable to all institutions regardless of delivery method (Exhibit A.1, CRRT.B.10.010). Each standard (‘criterion’) includes core components that provide more specific guidance regarding the expectations in that area. The core components related to faculty require an institution to have clearly defined qualifications and institutional roles for faculty and to specify the supports it provides to its faculty. Core Component 3.C requires an institution to have the faculty and staff needed for high-quality programs and services. Core Component 5.B requires an institution to maintain sufficient resources, to include faculty, to support current offerings and future plans. Core Component 5.A requires an institution to have effective governance and leadership structures, to include policies and processes to ensure faculty and staff involvement in establishing academic requirements, policies, and curriculum development.

The agency’s Eligibility Requirements and Assumed Practices also include requirements with respect to faculty. HLC’s Eligibility Requirements are applied to all institutions, but primarily serves as the threshold for application to the agency for initial accreditation consideration. Eligibility Requirement #10 requires that an institution have qualified faculty and other staff in sufficient numbers to support academic programs (Exhibit A.1, CRRT.A.10.010). HLC’s Assumed Practices are requirements that the agency states are essential to all institutions of higher education and that all institutions are expected to comply with them at all times. Assumed Practice B.2 sets the basic expectations for faculty credentialing and academic background, and the role of faculty at the institution (Exhibit A.1, CRRT.B.10.020).

HLC requires an institution to submit its faculty information and documentation with its self-study (or similar document depending on the type of review) and make that information available for verification by the site team. That information and documentation is examined and evaluated by the site visitors to assess the institution’s compliance with the agency’s faculty standards (Exhibit F.4). The agency provides guidance to institutions on what documentation to submit and to on-site teams on how to determine compliance with the agency’s standards regarding faculty (Exhibits E.7, G.3 and G.4).

The agency provided examples of self-studies, and the evaluation of those self-studies by both the on-site team and the board and/or IAC to demonstrate the consistent application of its faculty standards during comprehensive accreditation reviews (Exhibit E.2, pages 40-78, 301-320, and 349; Exhibit E.3,
The example in Exhibit E.3 is one of when the agency required interim monitoring based on faculty concerns. This material demonstrates the institution addressed the self-study in the areas related to faculty, and how the agency reviews such information in determining compliance with its standards.

During the virtual file review, Department staff reviewed documentation of guidance provided to institutions on the preparation of a self-study and of training provided to site visitors on what to evaluate in self-studies and on-site to determine compliance with standards. Department staff reviewed the accreditation reviews for eight institutions, which included the review of faculty.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response

Analyst Review Status:

Criteria: 602.16(a)(1)(iv)
Description of Criteria

(iv) Facilities, equipment, and supplies.

Narrative:
For information on HLC’s training processes as they relate to resources and the application of these standards during evaluative processes, see EXHIBIT F.4: Overview of the Peer Corps.

As noted under §602.16(d), HLC does not have separate standards or requirements for institutions offering distance and/or correspondence education. All institutions, regardless of modality or Title IV participation, are required to comply with the requirements stated herein.

HLC maintains standards to ensure that an institution provides the facilities, equipment, and supplies necessary to support its programs and missions. The standards clearly tie the provision and availability of facilities, equipment, and supplies (referred to as “resources” for this section) to the ability to provide high-quality instruction. HLC’s standards regarding resources are defined in the Criteria for Accreditation, Assumed Practices and Eligibility Requirements. These standards address both an
institution’s present and future, projected resources. During evaluative processes, teams assess whether an institution has the resources to meet its current needs and the resources to continue to meet those needs in the future. An institution’s resource plans are evaluated against its larger strategic plan, encompassing both growth and/or decline as well as its finance.

In the Criteria for Accreditation, the standards set forth in Criterion Three ensure that an institution maintains the necessary inputs for quality instruction and student learning. Criterion Three, Core Component 3.C requires that an institution possess the resources necessary for assuring that faculty and staff are supported in their roles, outside of the resources necessary for quality instruction. This encompasses both the physical and technological resources necessary to meet the scale of current operations. An institution must also provide faculty the resources necessary to ensure they remain accessible for non-instruction functions. (See EXHIBIT A.1. HLC Policy Book, CRRT.B.10.010, p. 16)

Criterion Three, Core Component 3.D sets additional standards regarding the resources necessary to promote student learning. As stated in the Core Component, an institution is required to provide the infrastructure and resources necessary for effective instruction and learning, with respect to the institution’s scale and mission. For example, an institution is expected to make learning resources required by its programs available to students in libraries, laboratories for students in science-based programs, or performance spaces for students in performance-based programs, etc. An institution is also required to make necessary resources for instruction available to its faculty. These resources include, but are not limited to resources such as classrooms, office space, technological infrastructure, etc. The resources necessary for quality instruction must be made available in sufficient quantities to support student needs. (ibid)

Whereas the standards in Criterion Three focus on the present availability of resources, HLC’s Criterion Five focuses on the planning processes involved with resource allocation in both the present and future. Specifically, Criterion Five, Core Component 5.B requires that an institution demonstrate that it possesses a resource base that can support current and future offerings. These resources, as defined by the Core Component’s subcomponents, include the human, fiscal, physical, and technological aspects of an institution’s operations. During review of this standard, there are two aspects that are required for compliance. First, an institution must possess resources of appropriate quality that are acceptable for higher education, the institution’s mission, and the scale of the institution. Second, an institution must also demonstrate that it possesses effective plans and processes for ensuring the continued delivery of these resources in the future. Institutions are expected to maintain various types of plans for addressing future resource needs, including, but not limited to: investment plans, capital improvement plans, technology plans, and operations plans. Core Component 5.B also anticipates that an institution maintains processes for budgeting and monitoring expenses. These processes must reflect attention to resources, including providing the appropriate allocations for facilities, equipment, and supplies. Institutions are required to maintain detailed operational budgets and budget projections for the immediate future, at a minimum, as evidence of compliance with this standard. (ibid)

In addition to Core Component 5.B, Core Component 5.C focuses on systematic and integrated planning. As stated in the subcomponents, HLC requires that an institution maintains planning processes that demonstrate a sound understanding of current capacity, as well as anticipating possible fluctuations in the future. Both an institution’s planning processes and the plans maintained for addressing the future are reviewed when determining compliance with this standard. HLC requires that any plans developed by the institution stem from a planning process that incorporates valid and realistic expectations for the future. Such plans must also anticipate emerging factors and possible shifts that could impact the
The Assumed Practices set clear minimum requirements with regard to resources and resource planning. Assumed Practices D.2 and D.3 require that an institution prepare a budget and budget-to-actuals annually and maintain financial projections that incorporate its allocation of resources. Additionally, Assumed Practice D.4 requires that the institution maintain effective processes for collecting institutional information, such as expenses and revenues, as well as the processes for analyzing and utilizing this information in planning processes. An institution that fails to prepare budgets and analyze its budgetary performance may be found out of compliance with HLC standards. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.020, p. 24)

HLC’s standards are effective in assuring that an institution provides the resources necessary for fulfillment of its mission and for quality instruction. As demonstrated by the case studies included with this petition, HLC ensures an institution has a sound understanding of its current and future capacity and is able to provide sufficient resources needed to support its operations. (See EXHIBIT E.2: Sample Comprehensive Evaluation 1, EXHIBIT E.3: Sample Comprehensive Evaluation 2 p, and EXHIBIT E.4: Sample Comprehensive Evaluation 3)

These standards are effective for evaluating and assuring the quality and sufficiency of an institution’s facilities, equipment and supplies. HLC’s standards require that an institution maintain appropriate levels of resources to meet current and future needs, as well as those necessary to fulfill its unique mission. As the Criteria for Accreditation makes clear, these standards ensure the delivery of quality instruction, as an institution is required to demonstrate the provision of the resources necessary related to its current capacity and its future expectations.

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section
The agency's standards for facilities, equipment, and supplies are found within Criteria 3 and 5 and are applicable to all institutions regardless of delivery method (Exhibit A.1, CRRT.B.10.010). Each standard ('criterion') includes core components that provide more specific guidance regarding the expectations in that area. The core components related to facilities, equipment, and supplies require an institution to have the resources necessary to support its programs and mission, to specifically include safe and adequate space for students, and equipment and supplies to complete any program offered by the institution. Core Component 3.C requires an institution to have the facilities, equipment, and supplies necessary for assuring that faculty and staff are supported in their roles – both physical and technological. Core Component 3.D requires an institution to maintain sufficient facilities, equipment, and supplies to promote student learning. Core Component 5.B requires an institution to demonstrate that it possesses facilities, equipment, and supplies that can support current and future offerings. Core Component 5.C requires an institution to understand its current facility, equipment, and supply needs and to have plan for future needs.

The agency's Assumed Practices also include requirements with respect to facilities, equipment, and supplies. HLC's Assumed Practices are requirements that the agency states are essential to all institutions of higher education and that all institutions are expected to comply with them at all times. Assumed Practices D.2, D.3, and D.4 set the minimum requirements with regard to facilities, equipment, and supplies and resource planning, to include budget planning and analysis (Exhibit A.1, CRRT.B.10.020).

HLC requires an institution to submit its facilities, equipment, and supplies information and documentation with its self-study (or similar document depending on the type of review) and make that information available for verification by the site team. That information and documentation is examined and evaluated by the site visitors to assess the institution's compliance with the agency's facilities, equipment, and supplies standards (Exhibit F.4). The agency provides guidance to institutions on what documentation to submit and to on-site teams on how to determine compliance with the agency's standards regarding facilities, equipment, and supplies (Exhibit E.7).

The agency provided examples of self-studies, and the evaluation of those self-studies by both the on-site team and the board and/or IAC to demonstrate the consistent application of its facilities, equipment, and supplies standards during comprehensive accreditation reviews (Exhibit E.2, pages 40-82, 301-322, and 349; Exhibit E.3, pages 40-92, 475-498, and 538; and Exhibit E.4, pages 53-121, 394-422, and 443). This material demonstrates the institution addressed the self-study in the areas related to facilities, equipment, and supplies, and how the agency reviews such information in determining compliance with its standards.

During the virtual file review, Department staff reviewed documentation of guidance provided to institutions on the preparation of a self-study and of training provided to site visitors on what to evaluate in self-studies and on-site to determine compliance with standards. Department staff reviewed the accreditation reviews for eight institutions, which included the review of facilities, equipment, and supplies.

List of Document(s) Uploaded by Analyst - Narrative
HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.16(a)(1)(v)
Description of Criteria

(v) Fiscal and administrative capacity as appropriate to the specified scale of operations.

Narrative:
For information on HLC’s training processes as they relate to fiscal and administrative capacity and the application of these standards during evaluative processes, see EXHIBIT F.4: Overview of the Peer Corps.

As noted under §602.16(d), HLC does not have separate standards or requirements for institutions offering distance and/or correspondence education. All institutions, regardless of modality or Title IV participation, are required to comply with the requirements stated herein.

HLC maintains a clear set of expectations regarding an institution’s finances and administration. Through these standards, an institution is required to present evidence that it is able to meet its current and future obligations and that its finances are aligned to its mission and operations. HLC’s standards are able to determine effectively whether an institution has the resources and capacity to support its current operations and to continue to do so in the future. HLC also has standards that set minimum expectations regarding administrative capacity to ensure effective administration of the institution’s operations and planning. These standards are defined in the Criteria for Accreditation and Assumed Practices.

As discussed in §602.16(a)(1)(iv), HLC’s Criterion Three focuses on the inputs necessary for quality instruction and learning. Criterion Three, Core Component 3.C anticipates that an institution possesses the resources, which includes financial resources, necessary for assuring that faculty and staff are supported in their roles. These resources, as defined by the subcomponents, include those that are necessary to ensure that faculty remain current in their disciplines and instruction and remain accessible to students, and to ensure the provision of necessary student support services. Furthermore, this Core Component requires that an institution maintain sufficient financial resources to ensure that non-classroom functions, such as assessment, planning, and oversight of the curriculum, can be carried out.
effectively. (See EXHIBIT A.1. HLC Policy Book, CRRT.B.10.010, p. 16)

HLC’s Criterion Five requires an institution to maintain adequate financial resources to fulfill its mission in the present, as well as plans and processes to ensure that future financial resources are adequate for the continued fulfillment of the institution’s mission and delivery of quality instruction. As discussed in §602.16(a)(1)(iv), Criterion Five, Core Component 5.B requires an institution to demonstrate that it possesses the financial resources necessary for supporting current and future offerings. Under this standard, an institution’s financial resources are evaluated against its strategic and long-term plans that address potential growth or contraction. The related subcomponents further anticipate that the institution’s finances remain sufficient to support all of its programs, regardless of delivery modality. The Core Component also requires that an institution maintains processes for effective budgeting and the monitoring of expenses. These processes must reflect attention to the institution’s finances, including providing the appropriate allocations for its various operations and functions. (ibid) Criterion Five also requires, under Core Component 5.A, that an institution demonstrate that its administration and governance processes are effective. Such effectiveness relates to its ability to carry out its regular functions, such as providing oversight of the institution’s finances, financial aid, human resources, and other operational practices. (ibid) Therefore, regarding administrative capacity, HLC maintains standards that ensure an institution’s administration is sufficient in terms of numbers and organization and in terms of its competency and effectiveness. Criterion Five provides robust approaches to HLC’s evaluation of its institutions’ administrative and fiscal capacity.

The Assumed Practices have additional requirements regarding fiscal and administrative capacity. At a minimum, Assumed Practice D.1 requires that an institution be able to meet its current financial obligations. Institutions that do not have the financial resources to meet current obligations are out of conformity with this requirement. Assumed Practice D.2 further requires that an institution prepare an annual budget that provides sufficient financial support for its operations and anticipates that these budgets are compared with actual results of the previous year. Assumed Practice D.3 requires that the institution address its long-term financial viability, beyond the current year budget, by maintaining financial projections. As stated in Assumed Practice D.4, the systems maintained by an institution for planning and analyzing its finances must be effective and based on sound practices. Finally, Assumed Practice D.5 sets forth the standard regarding review of these financial processes and projections. As indicated by the standard, an institution is required to undergo regular financial audits by a certified public accountant or agency (either annually or biennially, depending on the institution). HLC reviews these audits to ensure that standards related to fiscal capacity are met by the institution (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.020, p. 24) Together, the Assumed Practices establish minimum thresholds that an institution must follow in terms of fiscal capacity. Under these standards, an institution that does not have the financial resources necessary to support its operations or does not engage in the proper financial planning activities is out of compliance with HLC policy.

With regard to administrative capacity, Assumed Practice D.6 sets a minimum expectation regarding staffing. Any HLC member institution must have, at a minimum, a chief executive officer, chief financial officer, and chief academic officer, each of whom maintain appropriate credentials and experience. As noted in the standard, while titles may vary, the institution must employ individuals with sole responsibility for these functions. Such officers are necessary to assure that an institution has effective administrative oversight of its operations. (ibid)

HLC’s standards regarding administrative capacity can also be found in the Eligibility Requirements, which contain expectations related to fiscal capacity and administrative effectiveness. Specifically,
Eligibility Requirement #8 requires that an applying institution demonstrate current and future financial capacity for its offerings and fulfillment of the institution’s mission. Eligibility Requirement #9 requires that an applying institution maintain the administrative structures necessary for support of its operations. Any institution seeking accreditation status with HLC must demonstrate the appointment, by its Board, of a chief executive officer (or president), who is empowered to administer the organization. Additionally, Eligibility Requirement #14 requires that an institution maintain policies and procedures related to job responsibilities for administrators, including the publishing of job descriptions. (ibid, CRRT.A.10.010, p. 11)

HLC’s standards are effective in assuring that an institution maintains the financial resources necessary to support its current and future operations. As demonstrated by the case studies included with this petition, the standards ensure that an institution maintains the financial resources necessary to support its operational units and ensure their quality. The standards require an institution to undergo systemic and systematic financial planning and to ensure its operations are guided by a sound understanding of current and future capacity. (See EXHIBIT E.2: Sample Comprehensive Evaluation 1, EXHIBIT E.3: Sample Comprehensive Evaluation 2, and EXHIBIT E.4: Sample Comprehensive Evaluation 3)

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s standards for administrative and fiscal capacity are found within Criteria 3 and 5 and are applicable to all institutions regardless of delivery method (Exhibit A.1, CRRT.B.10.010). Each standard ('criterion') includes core components that provide more specific guidance regarding the expectations in that area. The core components related to administrative and fiscal capacity require an institution to demonstrate that it is able to meet its current and future obligations, that its finances are aligned to its mission and operations, and that it has the administrative capacity to meet those obligations. Core Component 3.C requires an institution to have the resources, which includes financial and administrative
resources, necessary for assuring that faculty and staff are supported in their roles. Core Component 5.B requires an institution to maintain sufficient resources to support current offerings and future plans. Core Component 5.A requires an institution to have effective governance and leadership structures.

The agency's Eligibility Requirements and Assumed Practices also include requirements with respect to administrative and fiscal capacity. HLC's Eligibility Requirements are applied to all institutions, but primarily serve as the threshold for application to the agency for initial accreditation consideration. Eligibility Requirements #8, #9, and #14 require that an institution demonstrate current and future financial capacity for its offerings and fulfillment of the institution's mission, maintain the administrative structures necessary for support of its operations, and maintain policies and procedures related to job responsibilities for administrators, including the publishing of job descriptions (Exhibit A.1, CRRT.A.10.010). HLC's Assumed Practices are requirements that the agency states are essential to all institutions of higher education and that all institutions are expected to comply with them at all times. Assumed Practices D.1, D.2, D.3, D.4, and D.5 require that an institution be able to meet its current financial obligations, prepare an annual budget, address long-term financial viability, maintain effective financial planning and analysis practices, and regularly review the financial processes and projections. Assumed Practice D.6 sets a minimum expectation regarding staffing (Exhibit A.1, CRRT.B.10.020).

HLC requires an institution to submit its administrative and fiscal capacity information and documentation with its self-study (or similar document depending on the type of review) and make that information available for verification by the site team. That information and documentation is examined and evaluated by the site visitors to assess the institution's compliance with the agency's administrative and fiscal capacity standards (Exhibit F.4). The agency provides guidance to institutions on what documentation to submit and to on-site teams on how to determine compliance with the agency's standards regarding administrative and fiscal capacity (Exhibit E.7).

The agency provided examples of self-studies, and the evaluation of those self-studies by both the on-site team and the board and/or IAC to demonstrate the consistent application of its administrative and fiscal capacity standards during comprehensive accreditation reviews (Exhibit E.2, pages 40-78, 301-320, and 349; Exhibit E.3, pages 40-85, 475-496, and 538; and Exhibit E.4, pages 53-116, 394-419, and 443). The example in Exhibit E.4 is one of when the agency required interim monitoring based on administrative and fiscal capacity concerns. This material demonstrates the institution addressed the self-study in the areas related to administrative and fiscal capacity, and how the agency reviews such information in determining compliance with its standards.

Beyond a comprehensive accreditation review, HLC also reviews "financial indicators" on an annual basis as part of the institutional update process (Exhibit B.16). The agency provided the process it uses to review the financial indicators, to include the Composite Financial Index (CFI) based on financial data submitted (Exhibit B.17). HLC provided an example of when the agency found an institution reported a CFI "in the zone" in the annual report over two years and required the institution to provide additional information and documentation to demonstrate compliance (Exhibit E.8).

During the virtual file review, Department staff reviewed documentation of guidance provided to institutions on the preparation of a self-study and of training provided to site visitors on what to evaluate in self-studies and on-site to determine compliance with standards. Department staff reviewed the accreditation reviews for eight institutions, which included the review of administrative and fiscal capacity.
HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

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Criteria: 602.16(a)(1)(vi)
Description of Criteria

(vi) Student support services.

Narrative:
For information on HLC’s training processes as they relate to student support services and the application of these standards during evaluative processes, see EXHIBIT F.4: Overview of the Peer Corps.

As noted under §602.16(d), HLC does not have separate standards or requirements for institutions offering distance and/or correspondence education. All institutions, regardless of modality or Title IV participation, are required to comply with the requirements stated herein.

HLC’s standards require an institution to maintain appropriate support services necessary for effective instruction and learning. HLC’s standards related to staff and support services are primarily defined in the Criteria for Accreditation and Assumed Practices. As noted in these standards, the requirements tend to apply uniformly to both faculty and support staff.

As mentioned under §602.16(a)(1)(iii), Criterion Three, Core Component 3.C requires that an institution have the faculty and staff needed for high-quality programs and services. This Core Component anticipates that an institution maintains a sufficient number and continuity of staff members for support services offered by the institution. It also requires that staff members responsible for student services be properly qualified, trained, and supported in their roles. Where applicable, an institution is required to provide the necessary support, such as professional development, to staff responsible for the provision of student support services. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.010, p. 16)

As also mentioned under §602.16(a)(1)(iii), Criterion Three, Core Component 3.D provides additional standards regarding student support services. This standard anticipates that an institution provides the support services suited to the needs of its student population and mission, such as academic advising
and learning support, and offers students guidance on the support services available, such as technology, libraries, laboratories, etc. This Core Component also expects that an institution provides entrance counseling and evaluation to enrolling students to ensure students are academically prepared for the courses in which they enroll, thus promoting their academic success. (ibid)

As discussed under §602.16(a)(1)(iii), Assumed Practice A.2 requires an institution to maintain effective policies and procedures for ensuring the protection of confidential records. Assumed Practice A.3 requires an institution to provide faculty and staff with policies and procedures informing them of their responsibilities within the institution, including that of maintaining the confidential records of students. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.020, p. 24)

The Eligibility Requirements also set forth expectations for applying institutions regarding student support services. Eligibility Requirement #12 requires an institution to make appropriate support services available to students. As stated in the requirement, these services must be appropriate for the institution’s mission and include such services as academic advising, maintenance and access to records, and financial aid advising. (ibid, CRRT.A.10.010, p. 11) HLC policy requires that an institution make appropriate student services available but it does not prescribe the exact services that must be provided; nor does policy dictate the manner in which such services must be provided. For example, an institution may contract with a third-party provider to ensure access to appropriate tutoring services. In such situations, however, the peer review team still holds the institution accountable for meeting HLC standards regarding the quality of the services and their effectiveness for students. An institution that has contracted with a third-party that fails to provide an appropriate level of effective support may be found to be out of compliance with these standards. During review of an institution’s compliance with these standards, the evaluation team reviews the institution’s compliance with regard to the provision of student services as determined by its mission, its scale, and the services provided by similar institutions.

The Student Opinion Survey also addresses issues related to student support services, including advising. Peer review teams review the survey data as a means to inform the visit and in determining institutional compliance with the Criteria for Accreditation. (ibid, INST.C.20.010, p. 105) HLC’s standards ensure that an institution provides appropriate support services as part of its operations. These standards require that such services be made available in sufficient quality and quantity to support both the needs of the student population and the institution’s mission. As the case studies included with this petition show, the standards ensure that an institution maintains the support services necessary in pursuit of its mission. (See EXHIBIT E.2: Sample Comprehensive Evaluation 1, EXHIBIT E.3: Sample Comprehensive Evaluation, and EXHIBIT E.4: Sample Comprehensive Evaluation 3)

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The agency's standards for student support services are found within Criterion 3 and are applicable to all institutions regardless of delivery method (Exhibit A.1, CRRT.B.10.010). Each standard ('criterion') includes core components that provide more specific guidance regarding the expectations in that area. The core components related to student support services require an institution to maintain appropriate support services necessary for effective instruction and learning. Core Component 3.C requires an institution to have the faculty and staff needed for high-quality programs and services, to include a sufficient number and continuity of staff members who are qualified, trained, and supported in their roles. Core Component 3.D requires an institution to provide the support services needed based on its student population and mission, such as academic advising and learning support, and to offer students information on the support services available, such as technology, libraries, laboratories, etc.

The agency’s Eligibility Requirements and Assumed Practices also include requirements with respect to student support services. HLC’s Eligibility Requirements are applied to all institutions, but primarily serves as the threshold for application to the agency for initial accreditation consideration. Eligibility Requirement #12 requires that an institution, based on its mission, make appropriate support services available to students to include academic advising, records management, and financial aid advising (Exhibit A.1, CRRT.A.10.010). HLC’s Assumed Practices are requirements that the agency states are essential to all institutions of higher education and that all institutions are expected to comply with them at all times. Assumed Practices A.2 and A.3 require that an institution maintain effective policies and procedures for ensuring the protection of confidential records and provide faculty and staff with policies and procedures informing them of their responsibilities, to include maintaining confidential records, within the institution (Exhibit A.1, CRRT.B.10.020).

HLC requires an institution to submit its student support services information and documentation with its self-study (or similar document depending on the type of review) and make that information available for verification by the site team. That information and documentation is examined and evaluated by the site visitors to assess the institution’s compliance with the agency’s student support services standards (Exhibit F.4). The agency provides guidance to institutions on what documentation to submit and to on-site teams on how to determine compliance with the agency’s standards regarding student support services (Exhibit E.7).

The agency provided examples of self-studies, and the evaluation of those self-studies by both the on-site team and the board and/or IAC to demonstrate the consistent application of its student support services standards during comprehensive accreditation reviews (Exhibit E.2, pages 40-48, 301-304, and
During the virtual file review, Department staff reviewed documentation of guidance provided to institutions on the preparation of a self-study and of training provided to site visitors on what to evaluate in self-studies and on-site to determine compliance with standards. Department staff reviewed the accreditation reviews for eight institutions, which included the review of student support services.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.16(a)(1)(vii)
Description of Criteria

(vii) Recruiting and admissions practices, academic calendars, catalogs, publications, grading, and advertising.

Narrative:
For information on HLC’s training processes as they relate to recruiting and admissions practices and the application of these standards during evaluative processes, see EXHIBIT F.4: Overview of the Peer Corps.

As noted under §602.16(d), HLC does not have separate standards or requirements for institutions offering distance and/or correspondence education. All institutions, regardless of modality or Title IV participation, are required to comply with the requirements stated herein.

Fairness and integrity in operations is represent key pillars of quality education. In upholding this ethos, HLC maintains two sets of standards related to the requirements set forth in this section. HLC has (1) broader standards related to institution integrity and (2) specific standards that apply to recruitment and admissions practices, institutional publications, and marketing. These standards are primarily contained in the Criteria for Accreditation and Assumed Practices. The Federal Compliance
Requirements, however, contain additional standards related to this section. Together, these standards ensure that an institution acts with integrity with regarding to any operation and process.

At the fundamental level, HLC's Criterion One sets the expectation that a member institution has a primary focus on its mission. Criterion One, Core Component 1.B has a basic expectation that an institution demonstrates a commitment to the public good via its mission. This mission is expected to guide the institution's operations and practices at all levels and to serve as the foundation of the institution's policies. The related subcomponents of this Core Component set a clear standard that commitment to the public good and institutional mission takes primacy over other interests, such as financial returns or external interests. Actions taken by an institution that are counter to its mission and the expectation of the primacy of education and the public good may be a basis for a finding of noncompliance with the standard. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.010, p. 16)

HLC's Criterion Two focuses on institutional integrity and ethical behavior. These standards apply to any operation at the institution, including those related to recruitment and admissions. As stated under Core Component 2.A, an institution is required to operate with integrity with respect to financial, academic, personnel, and auxiliary functions. Its functions related to recruitment and admissions are subsumed in this standard. The standard further requires that an institution establish and follow policies and processes that ensure fair and ethical behavior across all facets of the institution. (ibid) If an institution is found to have engaged in inappropriate or abusive practices related to these processes, it may serve as a basis for a finding of noncompliance with the standard.

In addition, HLC has developed a defined procedure for identifying and following up on governmental investigations that raise significant questions about an institution's integrity under Core Component 2.A related to this section. (ibid, INST.F.20.010, p. 148; see also EXHIBIT B.14: Institutional Designations Process) This procedure outlines a mechanism for HLC to learn about these investigations and to take further action where appropriate. One approach, the Institutional Designations process, allows HLC to issue a designation if the institution has become the subject of a significant governmental investigation, thus calling into question the integrity of the institution and its practices. (See EXHIBIT B.18: Institutional Designations Procedure) This designation alerts the public about the issues raised by the investigation even while the investigation is ongoing, and there have been as yet no findings by the governmental agency. If the investigation results in findings or takes an enforcement action, HLC may then proceed to conduct an emergency evaluation to determine whether the findings should also result in a determination of non-compliance with HLC standards; additionally, in certain cases the President may take proposed non-compliance findings and a recommendation for sanction directly to the Board of Trustees. These strategies allow HLC to follow-up on governmental investigations promptly and effectively as they develop. This policy and procedure will be further discussed under §602.19.

HLC's Core Component 2.B requires an institution to present clear and accurate information to students regarding programs, requirements, faculty and staff, costs to students, control, and all accreditation relationships. While this Core Component does not mandate the exact publications an institution must maintain and make available to students, it requires that published information be made readily available to students in a clear and accurate manner. Thus, any document or tool created by an institution for use in the recruitment or admissions process must be accurate and clear to students. Such documents must not contain misleading information and an institution must provide appropriate disclosures regarding the source of the information it publishes. An institution may choose to publish this information on a website, or create advertisements but, regardless of the method, the information presented in any documentation must be accessible, accurate, current, and clear. This requirement also
extends and applies to any information regarding admissions requirements, recruiting practices and materials, grading policies, and other practices. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.010, p. 16)

As mentioned under §602.16(a)(1)(ii), Criterion Four, Core Component 4.A requires that an institution demonstrate responsibility for the quality of its educational programs and the related subcomponents anticipate that the institution demonstrates and maintains responsibility for the success of its graduates. The standard, in conjunction with the requirements of Core Component 2.A, requires that any measure developed and used by the institution to determine the success of its graduates be published accurately and clearly to students and to the public. The measures used by the institution must be published accurately and clearly to students and the public. (ibid)

HLC’s Assumed Practices provide further standards with respect to an institution’s need to assure the quality of recruiting and admissions practices, academic calendars, catalogs, publications, grading, and advertising. Assumed Practice A.2 explicitly requires that an institution have and follow policies assuring ethical behavior in recruitment and admissions, which also applies to also documents produced by the institutions and its contracted partners. An institution’s policies on ethical behavior must comport with generally accepted standards across higher education. Assumed Practice A.5 provides a minimum expectation of documents that an institution must create, maintain, and make available to students and the public. This includes information related to cost of attendance, prerequisites, credit transfers, faculty qualifications, accreditation standings, and relationships with parent organizations and external providers of instruction. Under the standard, these items must be presented clearly and accurately to students and be made available when requested. Additionally, they must be actively maintained by the institution to ensure that current information is presented. (See EXHIBIT A.1: HLC Policy Book, CRRT.10.B.10.020, p. 24)

These areas are also addressed in the Commission’s Eligibility Requirements. Specifically, Eligibility Requirement #7 requires that an applying institution provide students and external parties with clear and accurate information on program and admission requirements, policies on good academic standing, policies on probation and dismissal, and other related information. Eligibility Requirement #14 requires that an applying institution have appropriate policies, processes, and procedures regarding business and academic operations, which includes those related to admissions and recruiting practices. (ibid, CRRT.A.10.010, p. 11)

The requirements of this section are also addressed in the Commission’s Federal Compliance Requirements. As stated under FDRC.A.10.070, Public Information, in order to meet federal obligations, an institution is required to make certain disclosures to students. These disclosures must include information regarding student achievement, the institution’s academic catalog, student handbook, calendar, admission policies, grading policies, costs, and refund policies. This information must be published in a clear and accurate manner and made easily accessible to students. Any publication must include appropriate technical definitions and disclosures of data sources. (ibid, FDCRA.10.070, p. 45)

Additionally, in 2017, the HLC Board adopted a policy on Recruiting, Admissions, and Related Institutional Practices designed to address student consumer protection. As stated in the policy, an institution must ensure that any published performance/achievement data is accurate, up-to-date, and includes all appropriate disclosures. The policy also requires that any marketing/recruitment materials are accurate and clear. (ibid, CRRT.C.10.010, p. 32)

Due to text limitations, please see EXHIBIT H.7: Addendum to 602.16(a)(1)(vii) for the remainder of HLC’s response to this section.
Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's standards for recruiting and admissions practices are found within Criteria 1, 2, and 4 and are applicable to all institutions regardless of delivery method (Exhibit A.1, CRRT.B.10.010). Each standard ('criterion') includes core components that provide more specific guidance regarding the expectations in that area. The core components related to recruiting and admissions practices require an institution to maintain overall operational integrity and to apply specific requirements to recruitment and admissions practices, institutional publications, and marketing. Core Component 1.B requires an institution to demonstrate a commitment to the public good via its mission, which is to take precedence over financial returns or external or other interests. Core Component 2.A requires an institution to operate with integrity with respect to financial, academic, personnel, and auxiliary functions, to include admissions and recruiting functions. Core Component 2.B requires an institution to provide information to students regarding programs, requirements, faculty and staff, costs to students, control, and all accreditation relationships clearly and accurately. Core Component 4.A requires an institution to publish any measure developed and used by the institution to determine the success of its graduates accurately and clearly to students and the public.

The agency's Eligibility Requirements and Assumed Practices also include requirements with respect to recruiting and admissions practices. HLC's Eligibility Requirements are applied to all institutions, but
primarily serves as the threshold for application to the agency for initial accreditation consideration. Eligibility Requirements #7 and #14 require that an institution provide students and external parties clear and accurate information on program and admission requirements, policies on good academic standing, policies on probation and dismissal, and other related information, and have appropriate policies, processes, and procedures regarding business and academic operations, which includes those related to admissions and recruiting practices (Exhibit A.1, CRRT.A.10.010). HLC’s Assumed Practices are requirements that the agency states are essential to all institutions of higher education and that all institutions are expected to comply with them at all times. Assumed Practices A.2 and A.5 require that an institution maintain and follow policies assuring ethical behavior in recruitment and admissions, and create, maintain, and make available to students and the public information related to cost of attendance, prerequisites, credit transfers, faculty qualifications, accreditation standings, and relationships with parent organizations and external providers of instruction (Exhibit A.1, CRRT.B.10.020).

The agency’s Federal Compliance Requirements are applicable to all institutions regardless of participation in the Title IV funding program. The “Required Information for Students and the Public” section states that “an institution demonstrates that it makes available to students and the public fair, accurate and complete information in catalogs, student handbooks, and other publications that include, at a minimum, information about the institution’s calendar, grading, admissions, academic program requirements, tuition and fees, and refund policies,” (Exhibit A.1, FDCR.A.10.070). The “Advertising and Recruiting Materials and Other Public Information” section states that “an institution’s public information including its advertising and recruiting materials shall evidence the same fairness and accuracy HLC expects in an institution’s catalog and other documents for students” (Exhibit A.1, FDCR.A.10.070). HLC revised the Federal Compliance Filing and review process for the evaluation of Federal Compliance Requirements to eliminate redundancies in September 2020 (ED Exhibit 9 - Fed Compliance Overview). The specific areas removed from the Federal Compliance Filing, to include the review of advertising and recruiting materials, are reviewed within the specific Criteria for Accreditation during a comprehensive evaluation, as demonstrated in the examples provided in the petition and during the virtual file review.

The “Recruiting, Admissions, and Related Institutional Practices” policy requires an institution to ensure that any published performance/achievement data is accurate, up-to-date, and includes all appropriate disclosures, and that any marketing/recruitment materials are accurate and clear (Exhibit A.1, CRRT.C.10.010).

HLC requires an institution to submit its recruiting and admissions practices information and documentation with its self-study (or similar document depending on the type of review) and make that information available for verification by the site team. That information and documentation is examined and evaluated by the site visitors to assess the institution’s compliance with the agency’s recruiting and admissions practices standards (Exhibit F.4). The agency provides guidance to institutions on what documentation to submit and to on-site teams on how to determine compliance with the agency’s standards regarding recruiting and admissions practices (Exhibit E.7).

The agency provided examples of self-studies, and the evaluation of those self-studies by both the on-site team and the board and/or IAC to demonstrate the consistent application of its recruiting and admissions practices standards during comprehensive accreditation reviews (Exhibit E.2, pages 11-58, 280-310, and 349; Exhibit E.3, pages 8-60, 457-484, and 538; and Exhibit E.4, pages 8-81, 376-405, and 443). This material demonstrates the institution addressed the self-study in the areas related to
recruiting and admissions and how the agency reviews such information in determining compliance with its standards.

Beyond a comprehensive accreditation review, HLC also uses “special monitoring” in certain circumstances, such as when governmental investigations raise significant questions about an institution’s integrity. The agency provided the process and procedure it uses when special monitoring results in an “institutional designation” (Exhibits A.1, INST.F.20.010; B.14; and B.29). During the virtual file review, HLC provided an example of when the agency found an institution was under investigation of alleged unfair and/or deceptive acts or practices in connection with the recruitment of students and the financing of student education by the Massachusetts Attorney General’s office and reported the investigation to the Securities Exchange Commission (SEC) in November 2017 (ED Exhibit 13 - 2853 20180105 Official Correspondence - Letter_Redacted). HLC imposed a “Governmental Investigations Designation” on the institution in February 2018, which included public notice of the designation on the agency’s website and required the institution to submit an interim report until the investigation was concluded (ED Exhibit 14 - 2853 20180207 Official Correspondence - Letter_Redacted). HLC included a review of the areas directly related to those under investigation within the institution’s mid-cycle accreditation review that occurred at the same time the investigation was concluded and a settlement was reached (ED Exhibit 16 - 2853 20180913 Mid-Cycle Review Standard - Team Report_Redacted and ED Exhibit 15 - 2853 20180814 Official Correspondence - Letter_Redacted). This settlement was referenced in a third-party written comment (Public Comment Haynes).

During the virtual file review, Department staff reviewed documentation of guidance provided to institutions on the preparation of a self-study and of training provided to site visitors on what to evaluate in self-studies and on-site to determine compliance with standards. Department staff reviewed the accreditation reviews for eight institutions, which included the review of recruiting and admissions.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response

Analyst Review Status:

Criteria: 602.16(a)(1)(viii)
(viii) Measures of program length -and the objectives of the degrees or credentials offered.

Narrative:
For information on HLC’s training processes as they relate to program length and program objectives and the application of these standards during evaluative processes, see EXHIBIT F.4: Overview of the Peer Corps.

As noted under §602.16(d), HLC does not have separate standards or requirements for institutions offering distance and/or correspondence education. All institutions, regardless of modality or Title IV participation, are required to comply with the requirements stated herein.

HLC maintains clear standards regarding program length and objectives. While the Criteria for Accreditation contains standards related to measures of program length and degree/credential objectives, much of HLC’s requirements are found in the Assumed Practices and Federal Compliance Requirements.

The standards set forth in Criterion Three of the Criteria for Accreditation focus on program standards. Criterion Three, Core Component 3.A specifically addresses program length and degree/certification objectives. As defined in the related subcomponents, an institution is required to offer programs appropriate to higher education. Included in this standard is the requirement that all courses and programs are current and require levels of performance appropriate to the degree or certificate being offered. The institution must also ensure that it articulates and differentiates, as appropriate, learning goals for the program levels it offers (undergraduate, graduate, certificate, etc.). These goals must also be consistent across all an institution’s delivery modes and locations, including distance and correspondence education. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.010, p. 16)

The Assumed Practices contain detailed expectations regarding program length and objectives. Assumed Practice B.1.a requires that an institution conform to commonly-accepted minimum program lengths. As defined by this Assumed Practice, an institution’s programs should adhere to the following: 60 semester credits for associate’s degrees, 120 semester credits for bachelor’s degrees, and 30 semester credits beyond the Bachelor’s for Master’s degrees. Policy also dictates that any variance from the minima must be thoroughly explained and justified by the institution. (ibid, CRRT.B.10.020, p. 24) Further, Assumed Practice B.1.b requires an institution to maintain structures or processes that ensure coherence and quality of the programs for which it awards a degree. As stated in the standard, an institution must conform to commonly accepted residency requirements in relation to its programs. (ibid.) Assumed Practice B.1.c sets the expectation that at least 50% of courses in a graduate program are designed exclusively for graduate work. (ibid) Thus, an institution is required to ensure that it appropriately differentiates between its undergraduate and graduate program outcomes. Additionally, Assumed Practice B.1.e requires that an institution’s courses for which academic credit is awarded have content and rigor appropriate to higher education. This Assumed Practice implies that the content and rigor of credit awarded by the institution is appropriate to the degree level. Lastly, Assumed Practice B.1.f requires that an institution have processes for ensuring that all courses transferred and applied toward a degree demonstrate equivalence with the institution’s own courses. (ibid) An institution’s compliance with the Assumed Practices ensures that the institution meets acceptable standards regarding the award of credit and the objectives of its programs.
The Eligibility Requirements provide further standards regarding program length and program objectives. Eligibility Requirement #6 requires that an applying institution demonstrate that its program requirements are appropriate to higher education with respect to program length, content, required learning outcomes, and for the degree or certificate awarded. This requirement also states that an institution must conform to commonly-accepted standards regarding length of programs and courses (in semester, quarter, or other hours.). An institution is expected to thoroughly explain and justify any variations from commonly-accepted practices. As a subsection of this requirement, an institution is also expected to provide a clear outline of learning goals for all its programs and provide a clear framework as to how students will meet those goals. This requirement applies to all modes of delivery, including distance and correspondence education. (ibid, CRRT.A.10.010, p. 11)

HLC standards regarding program length and objectives are also found in the Federal Compliance Requirements. HLC’s Federal Compliance Requirements anticipate that an institution equates learning experience with semester or quarter credit hours using practices common in higher education. The institution must be able to justify the lengths of programs in comparison to similar programs found in other accredited institutions. An institution must also be able to justify any program-specific tuition in terms of costs, length, and objectives. Under HLC policy, any variation from common practice must be thoroughly explained and justified by the institution, and an institution is obligated to notify HLC of any significant changes in the relationships among the institution’s credits, program lengths, and tuition. As stated in policy, HLC will inform the U.S. Department of Education if evidence of systemic noncompliance with program length and objective requirements are found. (ibid, FDCR.A.10.020, p. 37)

The standards regarding program length and objectives are effective for evaluating and assuring the quality of an institution’s measures of program length and the objectives of the degrees and credentials offered. These standards set clear expectations regarding the assignment of credits by an institution and the lengths of its programs. Above all, HLC’s standards emphasize common, good practice across higher education regarding program length, course content, and program objectives. These standards ensure that programs are appropriately rigorous and applicable to higher education, as well as ensuring that learning outcomes are appropriately differentiated across degree levels. The standards also ensure that an institution remain in compliance while focusing on fulfilling its mission.

The case studies included with this petition demonstrate the effectiveness of HLC’s standards. Furthermore, these cases demonstrate the robust nature of the Federal Compliance Requirements and the effectiveness of these standards in assuring compliance to commonly accepted practices in higher education. (See EXHIBIT E.2: Sample Comprehensive Evaluation 1, EXHIBIT E.3: Sample Comprehensive Evaluation 2, and EXHIBIT E.4: Sample Comprehensive Evaluation 3)

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Exhibit 84 EXHIBIT E.3 Sample Comprehensive Evaluation 2
Exhibit 85 EXHIBIT E.4 Sample Comprehensive Evaluation 3

Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s standards for program length and objectives are found within Criterion 3 and are applicable to all institutions regardless of delivery method (Exhibit A.1, CRRT.B.10.010). Each standard ('criterion') includes core components that provide more specific guidance regarding the expectations in that area. Core Component 3.A requires an institution to ensure that all courses and programs are current and require levels of performance appropriate to the degree or certificate being offered.

The agency’s Eligibility Requirements, Assumed Practices, and Federal Compliance Requirements also include requirements with respect to program length and objectives. HLC’s Eligibility Requirements are applied to all institutions, but primarily serves as the threshold for application to the agency for initial accreditation consideration. Eligibility Requirement #6 requires that an institution demonstrate that its program requirements are appropriate to higher education with respect to program length, content, required learning outcomes, and for the degree or certificate awarded (Exhibit A.1, CRRT.A.10.010). HLC’s Assumed Practices are requirements that the agency states are essential to all institutions of higher education and that all institutions are expected to comply with them at all times. Assumed Practice B.1 includes detailed expectations regarding program length and objectives, to include the conformance to commonly-accepted minimum program lengths (Exhibit A.1, CRRT.B.10.020). The agency's Federal Compliance Requirements are applicable to all institutions regardless of participation in the Title IV funding program. The “Assignment of Credits, Program Length and Tuition” section states that “institutions shall be able to equate its learning experiences with semester or quarter credit hours using practices common to institutions of higher education, to justify the lengths of its programs in comparison to similar programs found in accredited institutions of higher education, and to justify any program-specific tuition in terms of program costs, program length, and program objectives” (Exhibit A.1, FDCR.A.10.020).

HLC requires an institution to submit its program length and objectives information and documentation with its self-study (or similar document depending on the type of review) and make that information available for verification by the site team. That information and documentation is examined and evaluated by the site visitors to assess the institution’s compliance with the agency’s program length and objectives standards (Exhibit F.4). The agency provides guidance to institutions on what documentation to submit and to on-site teams on how to determine compliance with the agency’s standards regarding program length and objectives (Exhibit E.7).

The agency provided examples of self-studies, and the evaluation of those self-studies by both the on-
site team and the board and/or IAC to demonstrate the consistent application of its program length and objectives standards during comprehensive accreditation reviews (Exhibit E.2, pages 33-34, 100-101, 297-298, 327, and 349; Exhibit E.3, pages 30-33, 97-98, 471-472, 509-510, and 538; and Exhibit E.4, pages 40-46, 129-135, 390-391, 434-435, and 443). HLC also provided an example of when the agency found an institution out-of-compliance with its program length and objectives standards (Exhibit E.1, part 1, pages 405-479; and part 2, pages 251-260 and 282-285). This material demonstrates the institution addressed the self-study in the areas related to program length and objectives and how the agency reviews such information in determining compliance with its standards.

During the virtual file review, Department staff reviewed documentation of guidance provided to institutions on the preparation of a self-study and of training provided to site visitors on what to evaluate in self-studies and on-site to determine compliance with standards. Department staff reviewed the accreditation reviews for eight institutions, which included the review of program length and objectives.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response

Analyst Review Status:

Criteria: 602.16(a)(1)(ix)

Description of Criteria

(ix) Record of student complaints received by, or available to, the agency.

Narrative:

For information on HLC’s training processes as they relate to complaints and the application of these standards during evaluative processes, see EXHIBIT F.4: Overview of the Peer Corps.

As noted under §602.16(d), HLC does not have separate standards or requirements for institutions offering distance and/or correspondence education. All institutions, regardless of modality or Title IV participation, are required to comply with the requirements stated herein.
HLC’s standards ensure that an institution is attentive to its stakeholders and has processes for reviewing and responding to complaints and grievances. HLC’s standards related to student complaints are defined in the Assumed Practices and the Federal Compliance Requirements.

The Assumed Practices set forth minimum expectations regarding an institution’s complaint process and recording of complaints. The first and most basic expectation is stated in Assumed Practice A.3. This standard requires that an institution provide students with information informing them of their rights and responsibilities in their relationship with the institution. Under this standard, an institution is required to make information related to its complaint process readily available to students. Most institutions fulfill this requirement by including this information on their websites. Regardless of the manner in which the information is made available, it must also be provided to a student upon request. Assumed Practice A.4 provides standards specific to complaints. As required under this policy, an institution must provide clear information informing students of the institution’s complaint process. The institution must also maintain clear procedures for receiving complaints and grievances from students and other parties and for responding to these complaints in a timely and thorough manner. Furthermore, the Assumed Practices also anticipate that an institution analyzes information obtained through its complaints and grievances process to improve institutional processes and performance. The Assumed Practices also prohibit an institution from taking retaliatory action against a complainant. The Assumed Practices establish clear expectations regarding an institution’s obligation to maintain a complaints process and to respond fully to the complaints it receives. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.020, p. 24)

As part of the Federal Compliance Requirements, specifically policy FDCR.A.10.030, an institution is responsible for maintaining records of student complaints. This policy allows an institution to design the complaint-tracking processes around its internal structures; however, any member institution must demonstrate that complaints are properly tracked, recorded, and processed. Furthermore, this policy anticipates that institutional processes ensure that the institution responds to complaints in a timely manner and that it demonstrates that data obtained from complaints is analyzed and used to improve institutional processes. (ibid, FDCR.A.10.030, p. 39 and EXHIBIT B.15: HLC Federal Compliance Process)

HLC’s standards set a clear expectation that an institution is expected to maintain policies for addressing, responding to, and analyzing complaints and grievances. They also ensure that this information is made readily available to students and other interested parties and that such parties are made aware of their rights and responsibilities therein. To comport with HLC requirements, institutions are required to maintain information regarding complaints received and make them available to peer review teams during applicable evaluative processes upon request. In doing so, peer review teams can determine whether an institution is using the information obtained through complaint processes to make improvements and whether the complaints received by an institution raise concerns regarding an institution’s compliance with the Criteria for Accreditation or Assumed Practices.

The institutions included as comprehensive evaluation case studies with this petition underwent a Federal Compliance review as part of the evaluations. The Federal Compliance materials are included with these exhibits, which serve to demonstrate the effectiveness of the Federal Compliance Requirements in assuring the integrity and effectiveness of an institution’s complaint processes. (See EXHIBIT E.2: Sample Comprehensive Evaluation 1 p. 100 and p. 326, EXHIBIT E.3: Sample Comprehensive Evaluation 2 p. 97 and p. 509, and EXHIBIT E.4: Sample Comprehensive Evaluation 3 p. 127 and 434)
The agency's standards for student complaints are found within HLC's Assumed Practices and Federal Compliance Requirements. HLC's Assumed Practices are requirements that the agency states are essential to all institutions of higher education and that all institutions are expected to comply with them at all times. Assumed Practice A.3 requires an institution to inform students of their rights and responsibilities in their relationship with the institution, to include information related to its complaint process. Assumed Practice A.4 requires an institution to provide clear information to students of the institution's complaint process and to maintain clear procedures for receiving and responding to complaints and grievances from students and other parties in a timely and thorough manner (Exhibit A.1, CRRT.B.10.020). The agency's Federal Compliance Requirements is applicable to all institutions regardless of participation in the Title IV funding program. The “Institutional Records of Student Complaints” section states that “demonstrate that it keeps an account of the student complaints it has received, including its processing of those complaints, and how that processing comports with the institution's policies and procedures on the handling of grievances or complaints” (Exhibit A.1, FDCR.A.10.030; and Exhibit B.15).

HLC requires an institution to submit its student complaints information and documentation with its self-study (or similar document depending on the type of review) and make that information available for verification by the site team. That information and documentation is examined and evaluated by the site visitors to assess the institution's compliance with the agency's student complaints standards, and whether the nature, substance or pattern of the complaints provide any information relevant to the institution's compliance with the agency's standards or other requirements (Exhibit F.4). The agency provides guidance to institutions on what documentation to submit and to on-site teams on how to
determine compliance with the agency’s standards regarding student complaints (Exhibit E.7).

The agency provided examples of self-studies, and the evaluation of those self-studies by both the on-site team and the board and/or IAC to demonstrate the consistent application of its student complaints standards during comprehensive accreditation reviews (Exhibit E.2, pages 100-102, 327, and 349; Exhibit E.3, pages 97-98, 511-512, and 538; and Exhibit E.4, pages 129-136, 434-436, and 443). This material demonstrates the institution addressed the self-study in the areas related to student complaints and how the agency reviews such information in determining compliance with its standards.

During the virtual file review, Department staff reviewed documentation of guidance provided to institutions on the preparation of a self-study and of training provided to site visitors on what to evaluate in self-studies and on-site to determine compliance with standards. Department staff reviewed the accreditation reviews for eight institutions, which included the review of student complaints received by the agency.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response

Analyst Review Status:

Criteria: 602.16(a)(1)(x)

Description of Criteria

(x) Record of compliance with the institution’s program responsibilities under title IV of the Act, based on the most recent student loan default rate data provided by the Secretary, the results of financial or compliance audits, program reviews, and any other information that the Secretary may provide to the agency; and

Narrative:

For information on HLC’s training processes as they relate to Title IV and the Higher Education Act (HEA) responsibilities and the application of these standards during evaluative processes, see EXHIBIT F.4: Overview of the Peer Corps.
As noted under §602.16(d), HLC does not have separate standards or requirements for institutions offering distance and/or correspondence education. All institutions, regardless of modality or Title IV participation, are required to comply with the requirements stated herein.

HLC has incorporated standards related to Title IV and HEA compliance into the Federal Compliance Requirements. These standards ensure that HLC is knowledgeable about an institution’s compliance with Title IV requirements and links any evidence of non-compliance with relevant HLC standards.

Standards regarding the quality of an institution’s compliance with program responsibilities under Title IV and the HEA are found in HLC’s Federal Compliance Requirements. As stated in FDCR.A.10.010, Federal Compliance Requirements, these standards apply to any HLC member institution, even if it does not participate in Title IV. While the Federal Compliance Requirements are generally structured around Title IV and HEA responsibilities, HLC’s Board of Trustees has specifically adopted and implemented policy FDRC.A.10.060, Title IV Program Responsibilities. As part of this policy, an institution is required to provide Title IV and HEA compliance information during an applicable evaluative process. Such information includes: assignment of credits, program length and tuition, institutional records of student complaints, publication of transfer policies, practices for verification of student identity, publication of student outcome data, and standing with state and other accrediting agencies. (See EXHIBIT A.1: HLC Policy Book, FDCR.A.10.060, p. 43, and EXHIBIT B.15: HLC Federal Compliance Process) HLC also requires that an institution disclose the results of U.S. Department of Education program reviews, Office of Inspector General audits, limitation, suspension or termination actions, and any other interaction with the Department that might identify deficiencies related to its Title IV program responsibilities. HLC’s peer reviewers review such information to identify implications for the institution’s compliance with HLC standards and to make recommendations to relevant decision-making bodies for appropriate follow-up through monitoring or sanction, as appropriate under HLC policy.

HLC has also recently adopted a Fraud and Abuse Policy, FDCR.A.10.075. This policy sets the explicit requirement that an institution shall not engage in fraud and abuse, as outlined in state and federal law and regulation. The policy also requires that HLC report suspected incidents of fraud and abuse directly to the U.S. Department of Education, as outlined in COMM.C.10.030. The Fraud and Abuse policy establishes a basis for a finding of Met with Concerns or Not Met related to Core Component 2.A on integrity if HLC or another relevant authority makes a finding related to fraud and abuse. (See EXHIBIT A.1: HLC Policy Book, FDCR.A.20.010, p. 50)

HLC policy sets clear expectations regarding what information institutions must make available during evaluative processes, as well as how that information will be reviewed. During review processes, HLC crosswalks its Federal Compliance Requirements with the Criteria for Accreditation and Assumed Practices to ensure institutional compliance with various standards. (See EXHIBIT B.15: HLC Federal Compliance Process) An institution’s failure to meet Title IV program responsibilities may serve as the basis for a finding of noncompliance with the Criteria for Accreditation and/or Assumed Practices.

HLC’s standards ensure that institutions adhere to requirements set forth in Title IV and the HEA. Adherence to these standards is ensured during federal compliance reviews, which are conducted during comprehensive evaluations for candidacy, initial accreditation, reaffirmation of accreditation, Probation visits, Show-Cause Visits and on demand should the need arise. (See EXHIBIT E.2: Sample Comprehensive Evaluation 1 p. 100 and p. 326, EXHIBIT E.3: Sample Comprehensive Evaluation 2 p. 97 and p. 509, and EXHIBIT E.4: Sample Comprehensive Evaluation 3 p. 127 and 434) Separately, HLC also
conducted a review of an institution's assignment of the credit hour when the institution applies for approval of a direct assessment program.

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's standards for Title IV responsibilities are found within HLC’s Federal Compliance Requirements. The agency's Federal Compliance Requirements are applicable to all institutions regardless of participation in the Title IV funding program. The “Title IV Program Responsibilities” section states that an institution is “required to provide Title IV and HEA compliance information during an applicable evaluative process,” to include any results of financial or compliance audits and program reviews, audit reports by the Department’s OIG, and any other information related to its fulfillment of its Title IV responsibilities” (Exhibit A.1, FDCR.A.10.060). The “Fraud and Abuse” policy instructs institutions to “not engage in fraud and abuse, as outlined in state and federal law and regulation, or in practices or procedures that are designed or have the tendency to create a falsification or deceive students” (Exhibit A.1, FDCR.A.20.010).

HLC requires an institution to submit its Title IV responsibilities information and documentation with its self-study (or similar document depending on the type of review) and make that information available for verification by the site team. That information and documentation is examined and evaluated by the site visitors to assess the institution’s compliance with the agency's Title IV responsibilities standards (Exhibit F.4). The agency provides guidance to institutions on what documentation to submit and to on-site teams on how to determine compliance with the agency's standards regarding Title IV responsibilities (Exhibits E.7 and B.15).
The agency provided examples of self-studies, and the evaluation of those self-studies by both the on-site team and the board and/or IAC to demonstrate the consistent application of Title IV responsibilities standards during comprehensive accreditation reviews (Exhibit E.2, pages 100-105, 328, and 349; Exhibit E.3, pages 97-103, 511-516, and 538; and Exhibit E.4, pages 129-152, 434-438, and 443). HLC also provided an example of when the agency found an institution out-of-compliance with its Title IV responsibilities standards (Exhibit E.6, part 3, pages 103-234, 435-451, and 458-466). This material demonstrates the institution addressed the self-study in the areas related to Title IV responsibilities and how the agency reviews such information in determining compliance with its standards.

Beyond a comprehensive accreditation review, HLC also uses “special monitoring” in certain circumstances, such as when financial distress raises significant questions about an institution’s fiscal capacity. The agency provided the process and procedure it uses when special monitoring results in an “institutional designation” (Exhibits A.1, INST.F.20.010; B.14; and B.29). HLC provided an example of when the agency found an institution had been cited by the Department of Education for failing its Title-IV program responsibilities and reported to the Securities Exchange Commission (SEC) a “going concern” with its financials (Exhibit E.12).

During the virtual file review, Department staff reviewed documentation of guidance provided to institutions on the preparation of a self-study and of training provided to site visitors on what to evaluate in self-studies and on-site to determine compliance with standards. Department staff reviewed the accreditation reviews for eight institutions, which included the review of Title IV responsibilities.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.16(a)(2)
Description of Criteria

(2) The agency’s preaccreditation standards, if offered, must--
   (i) Be appropriately related to the agency’s accreditation standards; and
(ii) Not permit the institution or program to hold preaccreditation status for more than five years before a final accrediting action is made.

Narrative:
HLC does not have separate standards for institutions holding Candidate for Accreditation (preaccredited) status. Under HLC policy, an institution may be granted Candidate for Accreditation status if it meets the Eligibility Requirements and Assumed Practices and has demonstrated a capacity for meeting the Criteria for Accreditation within the Candidacy period. Meeting the Criteria for Accreditation at the end of the award of Candidate for Accreditation is not required; an institution must, however, provide sufficient evidence to show that any findings of Not Met can be rectified within the Candidate for Accreditation period. (See EXHIBIT A.1: HLC Policy Book, INST.B.20.020, p. 74) Policy sets forth that the initial period for Candidate for Accreditation is typically four years. Institutions with a particularly strong record of compliance with HLC requirements at the time they are granted Candidacy have the opportunity to be considered for a comprehensive evaluation for initial accreditation after only two years in candidacy, but must meet all requirements with no concerns in order to be granted initial accreditation. Otherwise, the Board has the discretion to continue the institution's schedule of candidacy for the remainder of the period rather than granting initial accreditation. Under HLC policy, one good cause extension beyond the four-year Candidate for Accreditation period is permitted. Such extension shall be for one year. Thus, an institution cannot hold Candidate for Accreditation status for more than five years. (ibid) For a case study demonstrating the process for achieving Candidate for Accreditation status, see EXHIBIT E.15: Candidate for Accreditation Case Study.

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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

Preaccreditation ('candidacy') is included within the current scope of recognition for the agency for institutions. HLC applies the same standards ('criteria') to institutions seeking accreditation as to those accredited, but the difference lies in the level of review (Exhibit A.1, INST.B.20.020). Institutions seeking candidacy status would be evaluated on whether the institution could reasonably be expected to meet all of the accreditation standards within four years based on the self-study report and the site visit team report. The agency has discussed this review process in detail for each of the required standards sections in Section 602.16(a)(1).
HLC also requires that all institutions that apply for accreditation must fully meet the Eligibility Requirements, Assumed Practices, and Federal Compliance Requirements as an initial threshold for preaccreditation.

The agency’s policies do not permit an institution to hold preaccreditation status for more than five years. HLC’s policies state that the board may extend the preaccreditation status to a fifth year.

HLC provided an example of an institution that began the accreditation process in November 2017 and was granted preaccreditation in November 2019 (Exhibit E.15). During the virtual file review, Department staff reviewed a self-study, site visit report, extension decision, and preaccreditation letter for an institution seeking preaccreditation status.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.16(b-c)
Description of Criteria

(b) Agencies are not required to apply the standards described in paragraph (a)(1)(x) of this section to institutions that do not participate in title IV, HEA programs. Under such circumstance, the agency’s grant of accreditation or preaccreditation must specify that the grant, by request of the institution, does not include participation by the institution in title IV, HEA programs. (c) If the agency only accredits programs and does not serve as an institutional accrediting agency for any of those programs, its accreditation standards must address the areas in paragraph (a)(1) of this section in terms of the type and level of the program rather than in terms of the institution.

Narrative:
HLC does not differentiate between those institutions that participate in Title IV and those that do not.
All institutions holding status with HLC are required to meet the same standards, as described above, regardless of participation in Title IV and HEA programs. 602.16(c) is not applicable to HLC. HLC serves as an institutional accreditor and only accredits institutions as a whole.

Document(s) for this Section

No files uploaded

Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

As stated throughout Section 602.16(a)(1), the agency requires all accredited institutions to the meet the Federal Compliance Requirements regardless of participation in Title IV funding programs.

HLC is an institutional accrediting agency and Section 602.16(c) is not applicable.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:


Criteria: 602.16(d)
Description of Criteria

(d)

(1) If the agency has or seeks to include within its scope of recognition the evaluation of the quality of institutions or programs offering distance
education, correspondence courses, or direct assessment education, the agency's standards must effectively address the quality of an institution's distance education, correspondence courses, or direct assessment education in the areas identified in paragraph (a)(1) of this section.

(2) The agency is not required to have separate standards, procedures, or policies for the evaluation of distance education or correspondence courses.

Narrative:
HLC does not maintain separate standards for the evaluation of distance or correspondence education. As stated in §602.16(a), HLC’s policies and standards apply equally across all modes of delivery, including distance and correspondence education. Each narrative provided under §602.16(a) demonstrates that HLC’s standards are equally effective across all modes of delivery. HLC also ensures that peer reviewers are adequately trained to evaluate the various modes of delivery prior to serving in the Peer Corps.

During the initial training prior to service, new peer reviewers are trained on how to evaluative distance and correspondence education consistently and effectively. (See EXHIBIT F.5: New Peer Reviewer Program Agenda) Additionally, during HLC’s Annual Conference, additional training sessions are held. (See EXHIBIT G.20: 2019 Annual Conference Program Book) Peer reviewers must undergo separate, specialized training on correspondence education prior to serving on applicable evaluation processes. (See EXHIBIT F.4: Overview of the Peer Corps for further information on training related to distance and correspondence education) HLC provides similar training on the application of its standards to distance and correspondence education to all members of its primary decision-making bodies (the Institutional Actions Council and Board of Trustees). (See EXHIBIT F.4: Overview of the Peer Corps, EXHIBIT F.11: IAC Training Materials, EXHIBIT F.13: Overview of Board of Trustees Training, and EXHIBIT F.14: Board of Trustees New Trustee Orientation.) For a case study demonstrating HLC’s application of its standards to institutions offering correspondence education, see EXHIBIT E.3: Sample Comprehensive Evaluation 2. For a case study demonstrating HLC’s application of its standards to institutions offering distance education, see EXHIBIT E.4: Sample Comprehensive Evaluation 3.

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Analyst Worksheet- Narrative

Does not meet the requirements of this section

Staff Determination:

The agency needs to provide additional information and documentation if it would like to include direct assessment programs within its scope of recognition. HLC must provide documentation on the training provided for the compliance review of correspondence courses to IAC members, and direct assessment to all decision-making and evaluative bodies, if applicable, with the agency’s standards.

Analyst Remarks to Narrative:

Distance education and correspondence courses are included within the current scope of recognition for the agency. As stated throughout Section 602.16(a)(1), HLC’s standards (“criteria”) and policies apply to all institutions regardless of the educational method of delivery. The agency does not maintain separate standards for the evaluation of distance education or correspondence courses. HLC’s definition of distance education and correspondence courses meet the regulatory requirements (ED Exhibit 3 - Glossary). HLC provided the temporary waiver policy to allow institutions to initiate or expand distance education beyond the extent of their current approvals due to the COVID pandemic and based on the flexibilities provided by the Department (Exhibit B.3).

HLC requires an institution to submit information and documentation regarding distance education and correspondence courses with its self-study (or similar document depending on the type of review) and make that information available for verification by the site team. That information and documentation is examined and evaluated by the site visitors to assess the institution’s compliance with the agency’s standards. The agency provides guidance to institutions on what documentation to submit and to site teams on how to determine compliance with the agency’s standards regarding distance education (Exhibits E.7, F.4, F.5, and G.20). HLC also provided information and documentation on the training provided to both the IAC members and board members for the compliance review of distance education...
with the agency’s standards (Exhibit F.4), but the documentation did not appear to include training on correspondence courses for IAC or board members (Exhibits F.11, F.13, and F.14). During the virtual file review, Department staff reviewed additional trainings offered to board members, IAC members and site visitors, but those trainings did not appear to include correspondence courses as a topic for IAC members.

The agency provided examples of self-studies, and the evaluation of those self-studies by both the on-site team and the board and/or IAC to demonstrate the review of distance education and correspondence courses during comprehensive accreditation reviews (Exhibits E.3 and E.4). Department staff reviewed the files for institutions that offer distance education and correspondence courses during the virtual file review.

Since the agency’s last recognition review, the Department implemented revised regulations, effective July 1, 2020. The revised regulation at Section 602.16(d) includes the requirement that an agency’s standards must effectively address the quality of an institution’s direct assessment education, if HLC seeks to include direct assessment education within its scope of recognition.

If the agency has approved direct assessment education, in accordance with its policies and procedures, and wishes to continue approving direct assessment education offered at its accredited institutions, HLC must provide documentation demonstrating it has approved such education in its response to the draft staff analysis and that it has provided direct assessment training to its decision-making and evaluation bodies. Department staff will then recommend to the senior Department official that direct assessment education be included in the agency’s scope of recognition.

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Response:

As noted in HLC’s petition for continued recognition, HLC does not have different requirements based on modality. HLC’s Criteria for Accreditation and other requirements apply equally to any mode of delivery offered by an institution, including correspondence education and direct assessment. As explained under § 602.14(b), HLC has consistently trained its peer reviewers, IAC members, Trustees, and Appeals Body members on the application of HLC requirements to all modalities. Nevertheless, HLC understands the Department’s concern that the trainings provided did not explicitly address various modalities in the materials in an effective manner. As explained in HLC’s response to the Draft Analysis under § 602.14(b), HLC revised its training materials and provided additional trainings to the Peer Corps and members of the IAC, Board of Trustees, and Appeals Body. These additional trainings specifically address the application of HLC requirements to correspondence education and direct assessment. (SEE EXHIBIT J.12: Peer Corps Training on Modalities, EXHIBIT J.13: IAC Annual Meeting Training, EXHIBIT J.14: Board of Trustees Training on Modalities, EXHIBIT J.21: 2022 Peer Corps Training Webinar Materials) Therefore, HLC has provided clear training on direct assessment to these constituencies in accordance with this section.
Furthermore, as indicated in HLC’s petition for continued recognition, HLC’s requirements are effective for ensuring the quality of direct assessment education. Under HLC policy, an institution’s direct assessment programs are reviewed, at a minimum, during a comprehensive evaluation. However, HLC may also review an institution’s direct assessment programs at any other time deemed appropriate in accordance with its monitoring processes described under § 602.19. HLC’s requirements touch on all aspects of a direct assessment program, including those related to quality as fully set forth under § 602.16(a)(1)(i)-(x). For an example of HLC’s application of its requirements to direct assessment during a comprehensive evaluation, SEE EXHIBIT K.11: Comprehensive Evaluation with Direct Assessment Case Study.

During the recognition period, HLC has approved multiple substantive change applications for a new direct assessment program, in accordance with its policies and procedures. (SEE EXHIBIT C.11: List of Substantive Change Requests May 2018-March 2021) For an example of HLC’s adherence to its substantive change review policies and procedures related to the approval of a substantive change request for direct assessment, SEE EXHIBIT K.12: Direct Assessment Case Study.

Analyst Worksheet - Response
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Response

In response to the draft staff analysis, HLC stated that it would like to include direct assessment within its scope of recognition and provided information and documentation to support that request. The agency reiterated that HLC’s standards (“criteria”) and policies apply to all institutions regardless of the educational method of delivery. HLC stated that it reviews direct assessment education when an institution requests to add it via a substantive change and during a comprehensive accreditation review. The agency provided documentation of both reviews (HLC Exhibits: Comprehensive Evaluation with Direct Assessment Case Study; and Direct Assessment Case Study). HLC also stated that would review direct assessment education when indicated via its monitoring approaches.

As discussed in Section 602.15(a)(2), HLC provided information and documentation of training to decision-making body members (Board, IAC and Appeals Panel members) and site visitors (Peer Corps) on the review of correspondence courses and direct assessment programs.

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Criteria: 602.17(a)
Description of Criteria

The agency must have effective mechanisms for evaluating an institution’s or program’s compliance with the agency’s standards before reaching a decision to accredit or preaccredit the institution or program. The agency meets this requirement if the agency demonstrates that it--

(a) Evaluates whether an institution or program—
(1) Maintains clearly specified educational objectives that are consistent with its mission and appropriate in light of the degrees or certificates awarded;
(2) Is successful in achieving its stated objectives at both the institutional and program levels; and
(3) Maintains requirements that at least conform to commonly accepted academic standards, or the equivalent, including pilot programs in §602.18(b);

Narrative:
HLC maintains various standards that evaluate an institution’s objectives, policies, and processes against its mission and offerings. Overall, these standards require that an institution set clear educational objectives in light of its mission and align its program, goals, processes, and policies with those educational objectives. In order to ensure that an institution is able to align its objectives with its mission and offerings, HLC requires that an institution publish a clear mission and requires that the institution recognize the mission’s primacy over other interests. Criterion One of the Criteria for Accreditation provides these fundamental expectations. Core Component 1.A requires that this mission be widely understood within the institution and that it guides its academic programs, support services, and resource allocation. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.010, p. 16) HLC requires a clearly articulated mission to ensure as its compliance with HLC policy rests on the alignment of its operations to that mission.

Criteria Three and Four set expectations for the setting of appropriate educational objectives in light of the mission. At a basic level, an institution is required to shape its educational offering around its mission. Criterion Three, Core Component 3.A requires that an institution set program goals and levels of educational performance. Core Component 3.B requires that an institution articulate the content and purposes of its programs and that such programs have appropriate rigor. In addition, as required by Criterion Four, an institution is responsible for demonstrating the quality of its programs, services, and outcomes. The institution is then expected to create and articulate goals for student learning and student performance. Core Component 4.A sets forth this requirement. Under this standard, an institution is expected to communicate and publish its goals and outcomes. These outcomes must be relevant to the institution’s mission and offerings and defined at both the program and institutional levels. Compliance with these standards requires that an institution have clearly articulated and appropriate goals and objectives for its programs and offerings and requires that these objectives are appropriately differentiated between programs and degree levels. Appropriate differentiation, as indicated by the standard, rests with commonly accepted practices in higher education. (ibid)
Criterion Three focuses on the establishment of appropriate goals and the alignment of faculty and other resources in their pursuit. HLC’s Criterion Four then effectively evaluates whether an institution is effective in achieving these goals. An institution’s success in achieving its objectives is evaluated through HLC’s Core Component 4.C. As required by this Core Component, an institution must develop measures and defined goals for student retention, persistence, and completion that are ambitious but, attainable, as well as appropriate to the institution’s mission. These measures must consider both program-level and institution-level data. (ibid)

Additionally, as part of the Federal Compliance Requirements, HLC maintains FDCR.A.10.080, Review of Student Outcome Data. Under this policy, an institution must demonstrate how course completion, job placement, and licensing examining information, with particular focus on vocational-technical programs, are used in measuring student success at both the institutional and program levels. The purpose of this standard is to ascertain whether the systems and processes in place at an institution are used to review and document whether its success with regard to achieving its mission, objectives, and goals meets HLC’s requirements. An institution that does not demonstrate appropriate attention to measures of student success, as determined by its programs, goals, and objectives, may be found out of compliance with his policy. (ibid, FDCR.A.10.080, p. 47)

Separate from the visit processes, HLC also considers a series of indicators as part of the Institutional Update process. (ibid, INST.F.10.010, p. 144; see also EXHIBIT B.16: 2020 Institutional Update Guide) An institution is required to submit this update near the start of each calendar year. The Institutional Update includes key indicators, including enrollment numbers, number of degrees awarded, number of programs, and other information. As set forth in the Non-Financial Indicator process, HLC reviews an institution’s annual number of degrees awarded, student default rate, and graduation/persistence rates after the Institutional Update is submitted. This information is reviewed in accordance with the process document and HLC follows-up in manners established by this policy. (See EXHIBIT B.17: Financial and Non-financial Indicator Process) The information obtained through this review process is used in determining between evaluations whether an institution is effective in meeting its educational objectives and thus remains in compliance with HLC standards as outlined above. This process will be discussed in greater detail under §602.19.

HLC’s standards and process work to ensure that an institution maintains clearly specified objectives that are appropriate to its mission and programs. These standards also ensure that an institution is successful in achieving these goals and objectives and defines success both in terms as an institution’s achievement of its goals and its achievement as compared to that of its peers.

HLC addresses degree and certificate requirements and conformity to commonly accepted standards within higher education in the Criteria for Accreditation, Assumed Practices, Federal Compliance Requirements, and the Eligibility Requirements. Criterion Three, Core Component 3.A requires that an institution’s courses and programs be current and required levels of performance by students appropriate to the degree or certificate awarded. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.010, p. 16) As was stated under §602.16, Assumed Practice B.1.a also requires that an institution conform to the commonly accepted minimum program lengths. As defined by this Assumed Practice, an institution’s programs should adhere to the following: 60 semester credits for associate’s degrees, 120 semester credits for bachelor’s degrees, and 30 semester credits beyond the Bachelor’s for Master’s degrees. Policy also dictates that any variance from the minima must be thoroughly explained and justified by the institution. (ibid, CRRT.B.10.010, p. 24) Assumed Practice B.1d requires an institution possess policies on
student academic load per term that reflect good practice. Assumed Practice B.1.e sets the further expectation that an institution adhere to common practice course content and rigor. An institution must ensure that the rigor and content of its courses are appropriate to both the program level and common practice. (ibid)

As was also stated under §602.16, conformity to common standards regarding program requirements are addressed in the Commission’s Federal Compliance Requirements. Commission policy FDCR.A.10.020, Assignment of Credits, Program Length, and Tuition, anticipates that institutions equate learning experiences with semester or quarter credit hours using practices common in higher education. An institution must be able to justify the lengths of programs in comparison to similar programs found in other accredited institutions. An institution must also be able to justify any program-specific tuition in terms of costs, length, and objectives. Under policy, any variations from common practice must be thoroughly explained and justified by the institution, and it is obligated to notify the Commission of any significant changes in the relationships of the institutions credits, program length, and tuition. (ibid, FDCR.A.10.020, p. 35)

The Eligibility Requirements also address student learning goals and requirements for degree and certificate programs. Eligibility Requirement #5 explicitly requires that an applying institution have a statement of mission defining the nature and purpose of the higher learning it provides. Additionally, Eligibility Requirement #6 requires that an applying institution have clearly articulated learning goals and length, content and rigor that are appropriate for each of the programs it offers. In order to seek membership with HLC, an institution must document that the content of its programs, with specific regard to the number and type of courses required and the content therein, is reasonable and comports with good practice within higher education. An institution demonstrates compliance with these requirements by comparing degree program requirements with those offered by institutions accredited by HLC and justifying degree requirements in terms of the credit hours awarded. (ibid, CRRT.A.10.010, p. 11)

HLC has implemented standards that require institutions to adhere to minimum expectations regarding degree requirements, including program length, rigor, cost, and quality. These standards are based on common practice in higher education; thus, conformity with HLC standards equates to conformity to common practice.

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As noted within Section 602.16(a)(1), the agency requires that an institution set clear educational objectives in light of its mission and align its programs, goals, processes, and policies with those educational objectives. Criterion 1 requires an institution to publish a clear mission to ensure its compliance with HLC standards and policies results from the alignment of its operations to that mission (Exhibit A.1, CRRT.B.10.010). Criteria 3 and 4 establish expectations for an institution to set appropriate educational objectives in light of its mission and to regularly assess those objectives. Core Component 3.A requires that an institution set program goals and levels of educational performance. Core Component 4.A requires that an institution must have written goals and objectives appropriate for its programs and offerings in light of its mission, and that the objectives are appropriately differentiated between programs and degree levels based on commonly accepted practices in higher education.

To demonstrate success in achieving stated objectives, Core Component 4.C requires an institution to develop measures and defined goals for student retention, persistence, and completion that are ambitious, attainable, and appropriate to the institution’s mission. The measures and goals must consider both program-level and institution-level data. Within the Federal Compliance Requirements, an institution is required to demonstrate how course completion, job placement, and licensing examining information, with particular focus on vocational-technical programs, are used in measuring student success at both the institutional and program levels (Exhibit A.1, FDCR.A.10.080).

HLC requires an institution to submit information and documentation regarding the evaluation of educational objectives and the institution’s success at achieving the objectives with its self-study (or similar document depending on the type of review) and make that information available for verification by the site team. That information and documentation is examined and evaluated by the site visitors to assess the institution’s compliance with the agency’s standards (Exhibit F.4). The agency provided examples of self-studies, and the evaluation of those self-studies by both the on-site team and the board and/or IAC (Exhibits E.2, E.3, E.4, E.5, and E.16). These examples demonstrate HLC’s review of educational objectives in light of an institution’s mission and the institution’s success at achieving the objectives during comprehensive accreditation reviews.

Beyond a comprehensive accreditation review, HLC also reviews “non-financial indicators” on an annual basis as part of the institutional update process (Exhibit B.16). The agency provided the process it uses to review the non-financial indicators, to include enrollment numbers, number of degrees awarded, number of programs, and graduation/persistence rates when compared to peer institutions (Exhibit B.17). The process is used by HLC to determine whether an institution is effective in meeting its educational objectives in between comprehensive accreditation reviews. HLC provided an example of when the agency found an institution reported weak graduation and persistence rate compared to peer institutions in the annual report and required the institution to provide additional information and documentation to demonstrate compliance (Exhibit E.9).
The agency addresses degree and certificate requirements and the expectation that those requirements conform to commonly accepted academic standards in HLC's Criteria, Assumed Practices, Federal Compliance Requirements, and Eligibility Requirements. Core Component 3.A requires that an institution's courses and programs be current and that the levels of performance by students are appropriate to the degree or certificate awarded (Exhibit A.1, CRRT.B.10.010). Assumed Practice B.1 requires that an institution conform to commonly accepted minimum program lengths (Exhibit A.1, CRRT.B.10.020). Within the Federal Compliance Requirements, an institution is required to connect learning experiences with semester or quarter credit hours using practices common in higher education and to justify any variations from common practice (Exhibit A.1, FDCR.A.10.020). Eligibility Requirements #5 and #6 require an applying institution to have a statement of mission defining the nature and purpose of the higher learning it provides and clearly articulated learning goals that are appropriate for each of the programs it offers (Exhibit A.1, CRRT.A.10.010). The agency provided examples of credential review (Exhibits E.2, E.3, E.4, E.5, and E.16).

During the virtual file review, Department staff reviewed accreditation reviews and annual reports, which included the review of the institution's mission and program objectives.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department's review of HLC's adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.17(b)
Description of Criteria

(b) Requires the institution or program to engage in a self-study process that assesses the institution's or program's education quality and success in meeting its mission and objectives, highlights opportunities for improvement, and includes a plan for making those improvements;

Narrative:
HLC refers to the traditional 'self-study,' wherein an institution provides appropriate narrative and evidence to demonstrate compliance with the Criteria for Accreditation and the Federal Compliance
Requirements, as an 'Assurance Filing.' (See EXHIBIT A.1: HLC Policy Book, INST.B.20.020, p. 74 and INST.C.10.20, p. 99, explaining the components of a routine Assurance Filing) An Assurance Filing is a required submission for any institution hosting a comprehensive evaluation. HLC policy requires that an institution undergo an evaluation at least every six years. (ibid and INST.B.20.030, p. 80)

The exact frequency of an institution’s routine comprehensive evaluations is determined by the accreditation pathway in which the institution participates. Currently, HLC maintains two accreditation pathways: Open and Standard. (Note: The AQIP Pathway was successfully phased out effective September 1, 2020.) An institution on the Standard Pathway must undergo a comprehensive evaluation in Year 4 and Year 10 of the pathway cycle (with the Year 10 review also serving as a reaffirmation of accreditation). (ibid, INST.C.10.020, p. 99) An institution on the Open Pathway undergoes an Assurance Review in Year 4 of the pathway cycle, in which the Assurance Filing is reviewed without an on-site visit (unless one is determined to be necessary by the peer review team). (ibid)

As set forth by policy, an Assurance Filing consists of information, both narrative and evidence, submitted by the institution to demonstrate its compliance with the Criteria for Accreditation and any other requirements applicable to the particular review (such as the Federal Compliance Requirements). (ibid) As explained under §602.16, HLC’s requirements are viewed in light of an institution’s unique mission and purpose. Thus, in its Assurance Filing, the institution is necessarily addressing its compliance with HLC’s Criteria for Accreditation and other applicable standards in light of mission, including those standards related to its program quality and its success in meeting its mission and objectives.

The Assurance Filing is a critical self-evaluation of the institution, affording it an opportunity to address its known areas for improvements and providing plans for addressing those opportunities. Under policy, an Assurance Filing must also address the institution’s distance and correspondence courses and programs as applicable. (ibid)

The case studies included with this petition demonstrate the comprehensive self-evaluative nature of the Assurance Filing process. (See EXHIBIT E.2: Sample Comprehensive Evaluation 1 p. 6, EXHIBIT E.3: Sample Comprehensive Evaluation 2 p. 3, and EXHIBIT E.4: Sample Comprehensive Evaluation 3 p. 3)

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Analyst Worksheet - Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency requires a self-study (“assurance filing” or similar document depending on the type of review) for a comprehensive review for accreditation or preaccreditation, as stated in HLC’s policy book (Exhibit A.1, INST.B.20.020 and INST.C.10.020). A self-study is required at least once every six years and prior to the site visit to the institution. The self-study is expected to demonstrate an institution’s compliance with HLC’s Criteria for Accreditation and other applicable standards, such as Assumed Practices, Federal Compliance Requirements, and Eligibility Requirements, in light of its mission, including those standards related to its program quality and its success in meetings its mission and objectives. An institution is expected to assess its operational and education performance in the self-study to note areas of success and where improvement is needed and to have a plan for making the necessary improvements.

The agency provides specific and comprehensive guidance to institutions regarding self-study preparation within the agency’s guidance document (Exhibit E.7). HLC also provides optional sessions to institutions at the agency’s annual conference specifically on how to prepare a self-study (Exhibit G.2). The documentation provided confirms that the agency requires that the self-study is an assessment of educational quality and document the institution’s continuing efforts to improve educational quality, in the context of HLC’s standards, policies and procedures (Exhibits E.2, E.3, and E.4).

During the virtual file review, Department staff reviewed self-studies submitted by preaccredited and accredited institutions, as well as additional guidance documents and seminars/webinars on self-study preparation.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response

Analyst Review Status:
Criteria: 602.17(c)

Description of Criteria

(c) Conducts at least one on-site review of the institution or program during which it obtains sufficient information to determine if the institution or program complies with the agency's standards;

Narrative:
As referenced under §602.17(b), any HLC-accredited institution that is not on Probation or Show-Cause or worse is on either the Standard or the Open Pathway. Under policy, subsequent to the granting of initial accreditation or the removal of a sanction or Show-Cause order, an institution is limited to the Standard Pathway up to ten years. (See EXHIBIT A.1: HLC Policy Book, INST.C.10.020, p. 99) At the time of reaffirmation of accreditation, an institution shall otherwise be able to select either the Standard or Open Pathway, subject to HLC's discretionary limitations. Typically, an institution that is scheduled for a Focused Visit, or has been assigned significant interim monitoring, or has been flagged under the Financial or Nonfinancial Indicators processes will be limited to the Standard Pathway. Currently, 354 institutions are on the Standard Pathway and 607 institutions are on the Open Pathway. (See EXHIBIT A.6: List of Candidate and Accredited Institutions)

Ultimately, institutions on the Open and Standard Pathways follow the same timeline for evaluations, as both pathways are a ten-year cycle that culminates in a comprehensive evaluation for reaffirmation of accreditation. In Year 4 of both of these pathways, an institution undergoes a mid-cycle review of its compliance with the Criteria for Accreditation. In both the Standard and Open Pathways an institution submits an Assurance Filing supported by evidence. On the Standard Pathway, an institution also hosts an on-site evaluation visit to verify the evidence provided by the institution; on the Open Pathway, the on-site evaluation visit could be called for by the evaluation team conducting a documentary review, but is otherwise not required in Year 4. In Year 10 of the Open and Standard Pathways, however, all institutions must host an on-site evaluation visit as part of the reaffirmation process. An institution on either pathway provides evidence of its compliance, which is then verified by a peer review team during the site visit. These evaluations result in a report detailing an institution's ability to meet all standards in the Criteria for Accreditation (See EXHIBIT D.16: Overview of the Open and Standard Pathways)

As demonstrated by the case studies included with this petition, HLC maintains processes for conducting routine evaluations of member institutions. (See EXHIBIT E.2: Sample Comprehensive Evaluation 1, EXHIBIT E.3: Sample Comprehensive Evaluation 2, and EXHIBIT E.4: Sample Comprehensive Evaluation 3)

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The agency requires an on-site visit for each institution under review for preaccreditation, initial or renewal of accreditation, as included in HLC’s policy book (Exhibit A.1, INST.B.20.020 and INST.C.10.020). An institution seeking a renewal of accreditation is in either the Standard or Open Pathway, which is dependent on the institution’s accreditation history with HLC. Both pathways require an on-site visit at least once every ten years. HLC also provided the temporary site visit policy due to the COVID pandemic and based on the flexibilities provided by the Department (Exhibit B.3).

Although the site visit policies give agency staff discretion to establish the site team size and composition based on a number of variables, to include the institution type, student population, academic programs, distance education and/or correspondence courses, the composition and length of on-site visits included in the examples appears to be comprehensive (Exhibit B.13).

The site team reviews and verifies the information included within the institution’s self-study. The site team drafts a written report that includes the team’s determination concerning the institution’s compliance with agency standards. The site team reports included in the example comprehensive reviews provided verify the agency conducts at least one comprehensive on-site review of an institution before reaching a decision regarding accreditation (Exhibits E.2, E.3, E.4, E.5, and E.16). During the virtual file review, Department staff reviewed site team reports for preaccredited and accredited institutions.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.
Criteria: 602.17(d)
Description of Criteria

(d) Allows the institution or program the opportunity to respond in writing to the report of the on-site review;

Narrative:
Under HLC policy, an institution is afforded an opportunity to provide a written response to any pathways evaluation; any comprehensive evaluation (regardless of whether it occurs in Year 4 or Year 10); any Open Pathway Year 4 Assurance Review; and any other peer review evaluation. An institutional response is considered part of the evaluation record that is reviewed by the appropriate decision-making body. (See EXHIBIT A.1: HLC Policy Book, INST.G.10.020, p. 177) All case studies of routine comprehensive evaluations and other evaluative processes provided with this petition illustrate the institutional response component of the various processes.

If a pathway evaluation or other peer review evaluation results in a recommendation that requires review by an Institutional Actions Council Hearing Committee, the institution will be afforded an additional opportunity to provide a written response to the report of said Committee. (See EXHIBIT A.1: HLC Policy Book, INST.G.10.020, p. 177) HLC has included two case studies of institutions that were recommended for a sanction, which demonstrates the additional response opportunity in such situations (See EXHIBIT E.5: Sanction Case Study 1 p. 1096 and EXHIBIT E.16: Sanction Case Study 2 p. 309)

In the event that a routine evaluation leads to a recommendation for denial or withdrawal of status, the institution will also be afforded an opportunity to appear for a Board Committee Hearing. (See EXHIBIT A.1: HLC Policy Book, INST.E.70.010, p. 138 and INST.G.10.020, p. 184) Such hearings are systematically transcribed by a court reporter and institutions are consistently allowed an opportunity to review the transcript and provide additional written materials before the full Board takes action. Because HLC has not had a routine pathway evaluation lead to such a recommendation during the recognition period, no such case study is available to be included with this petition.

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The agency provides an institution the opportunity to respond in writing to the site team report, as stated in HLC policy (Exhibit A.1, INST.B.20.020, INST.C.10.030, and INST.G.10.020). HLC provides a written copy of the final site team report to the institution, and the institution has at least two weeks to provide a response. The examples provided verify that HLC provides an institution the opportunity to respond in writing to the report of the site visit (Exhibits E.2, E.3, E.4, E.5, and E.16). During the virtual file review, Department staff reviewed examples of institutional responses to site team reports.

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.
Criteria: 602.17(e)

Description of Criteria

(e) Conducts its own analysis of the self-study and supporting documentation furnished by the institution or program, the report of the on-site review, the institution's or program's response to the report, and any other information substantiated by the agency from other sources to determine whether the institution or program complies with the agency's standards;

Narrative:
Any Assurance Filing described under §602.17(b) or any other report prepared in preparation for a peer review evaluation (as will be described under §602.19) is initially reviewed by a peer review team. As described throughout this petition, HLC's processes ensure that members of a peer review team have appropriate experience and expertise in order to ensure an effective review of the particular institution. (See EXHIBIT F.4: Overview of the Peer Corps and EXHIBIT B.13: HLC Team-Setting Process) As set forth by HLC policy, an Assurance Filing or other evaluative report prepared outside of HLC’s Assurance System (based on HLC procedure) is reviewed by the peer review team and, in the case of a comprehensive evaluation, verified through an on-site visit (See EXHIBIT A.1: HLC Policy Book, INST.C.10.020, p. 99)

As part of the evaluative process, evidence included in an Assurance Filing includes both the narrative and evidence provided directly by the institution and information provided by HLC. As stated in policy, evidence file material, which is provided by HLC as part of the evaluative process, includes previous institutional records, information contained in the institution’s most recent Institutional Update, public comments received by HLC regarding the institution, and other information deemed appropriate. (ibid) As noted in HLC’s records retention procedure, such ‘other’ information includes letters from the Department, state agencies, or other accreditors, and other information that falls within the appropriate categories set forth in the retention schedule. (See EXHIBIT D.13: Records Retention Procedure and Schedule)

As will be described under §602.16(f), the peer review team complies a team report following its review of the Assurance Filing or other evaluative report and on-site visit (if applicable). The team report includes a detailed analysis of the team’s findings regarding the institution’s compliance with the Criteria for Accreditation. (See EXHIBIT A.1: HLC Policy Book, INST.C.10.020, p. 99)

Following the institutional response, the case is prepared for action by the appropriate decision-making body. In cases where an intermediate Institutional Actions Council Hearing Committee is required, the Hearing Committee provides an IAC Hearing Committee Report following the Hearing. This report sets forth the findings and rationale of the Hearing Committee. If the Hearing Committee’s agrees with any of the team's negative findings (e.g., findings of Met with Concerns or Not Met related to a Core Component within the Criteria for Accreditation) or makes other determinations that diverge from those of the peer review team, the Report will include the Hearing Committee’s underlying rationale in detail. (ibid, INST.D.20.010, p. 110)

Under HLC policy, the final decision-making body for any evaluation conducts a de novo review of the full record prior to taking action. (ibid INST.D.40.010, p. 113 and INST.D.10.010, p. 106) Any action taken by the decision-making body is based on its own review and analysis of the record.
The agency's policies include the written requirements with regard to its consistent analysis of a self-study and other supporting documentation when deliberating an accreditation action of an institution. The agency's policies state that all self-studies, site team reports, and other supporting documentation will be forwarded to all members of the decision-making body (IAC or board of trustees) to conduct an analysis when deliberating an accreditation or preaccreditation action of an institution (Exhibit A.1, INST.D.10.010). HLC provided the meeting minutes from June 2018 to February 2021 for the IAC and board of trustees to document the analysis of institutions by those decision-making bodies (Exhibits C.9 and C.10). Department staff was provided access to and observed the review of such information at the January 2022 IAC meeting and February 2022 board meeting.

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.
Criteria: 602.17(f)

Description of Criteria

(f) Provides the institution or program with a detailed written report that assesses the institution's or program's compliance with the agency's standards, including areas needing improvement, and the institution's or program's performance with respect to student achievement;

Narrative:
As mentioned under §602.17(e), an institution is provided a written report after any evaluation or IAC Hearing Committee. (See EXHIBIT A.1: HLC Policy Book, INST.C.10.020, p. 99, for a sample of an evaluative process requiring the production of a written team report, see INST.D.40.010, p. 113, and INST.D.10.010, p. 106. As noted in these policies, any report following an evaluative process or action of a decision-making body related to an institution's status results in the production of a written and detailed analysis of the respective entity's findings related to the institution's compliance, including the rationale for any findings made. If any Core Component or other HLC requirement is determined to be Met with Concerns or Not Met, the report will indicate in detail the basis for the finding and what information is necessary to ameliorate the finding. These reports will inherently address HLC's requirements related to student achievement as described under §602.16(a)(1)(i).

The case studies included with this petition demonstrate HLC's implementation of the written report requirement set forth in this section. (See EXHIBIT E.2: Sample Comprehensive Evaluation 1 p. 272, EXHIBIT E.3: Sample Comprehensive Evaluation 2 p. 450, and EXHIBIT E.4: Sample Comprehensive Evaluation 3 p. 368)

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Analyst Worksheet- Narrative

Analyst Review Status:
Meets the requirements of this section

Analyst Remarks to Narrative:

The agency states that it utilizes both the site visit report and the agency decision letter to communicate the assessment of an institution’s compliance with the agency’s standards, to include performance with respect to student achievement. The requirement to provide the site visit report and agency decision letter are included in the HLC policy book (Exhibit A.1, INST.B.20.020, INST.C.10.020, INST.D.10.010, and INST.D.40.010). The site visit report provides a detailed assessment of areas of compliance and non-compliance for each standard. The agency decision letter provides a detailed assessment of any areas of non-compliance, if applicable, and the decision on accreditation. The examples provided document the use of the site visit report to communicate areas of compliance and non-compliance, as well as the program’s performance with respect to student achievement (Exhibits E.2, E.3, E.4, E.5, and E.16). During the virtual file review, Department staff reviewed accreditation reviews and annual reports, which included the use of the site visit report and agency action letters to communicate areas of compliance and non-compliance.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.17(g)
Description of Criteria

(g) Requires institutions to have processes in place through which the institution establishes that a student who registers in any course offered via distance education or correspondence is the same student who academically engages in the course or program; and

Narrative:
HLC Policy FDCR.A.10.050 requires that any institution offering distance and/or correspondence education have policies and procedures for verifying student identities to ensure that the student
enrolled in a course or program is the same student who engages with that course or program. While HLC does not mandate a specific procedure, HLC policy sets forth general best practices that could be employed by institutions to verify student identity. (See EXHIBIT A.1: HLC Policy Book, FDCR.A.10.050, p. 41) As stated in the policy, HLC reviews an institution's policies and procedures for verifying student identities during a comprehensive evaluation and at any other time deemed necessary. The case studies included with this petition demonstrate HLC's process of verifying that an institution has appropriate policies and procedures for verification of student identity. (See EXHIBIT E.2: Sample Comprehensive Evaluation 1 p. 100 and p. 326, EXHIBIT E.3: Sample Comprehensive Evaluation 2 p. 97 and p. 509, and EXHIBIT E.4: Sample Comprehensive Evaluation 3 p. 127 and 434)

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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's written policies and procedures with regard to its expectations of student verification for programs offered via distance education and correspondence courses are included in the Federal Compliance Requirements (Exhibit A.1, FDCR.A.10.050). The Federal Compliance Requirement provides guidance to both institutions and site teams for verifying student identity and protecting student privacy.

The agency indicates that the site team evaluates the adequacy of the methodology during an evaluation. The examples provided include documentation of the submission of student verification information by institutions that offer distance education and/or correspondence courses, and that the information was reviewed and evaluated by site teams (Exhibits E.3 and E.4).

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.17(h)
Description of Criteria

(h) Makes clear in writing that institutions must use processes that protect student privacy and notify students of any projected additional student charges associated with the verification of student identity at the time of registration or enrollment.

Narrative:
HLC Policy FDCR.A.10.050 also requires that all policies and procedures implemented by an institution must have reasonable and appropriate safeguards to protect student privacy. (See EXHIBIT A.1: HLC Policy Book, p. 41) Under the policy, an institution must disclose any fees associated with verification of identity at the time of registration or enrollment. (ibid) As was described under §602.16(a)(1)(vii), HLC maintains comprehensive standards regarding accuracy of institutional disclosures, including those related to costs and fees.

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Analyst Worksheet - Narrative

Analyst Review Status:

Does not meet the requirements of this section

Staff Determination:

The agency must demonstrate that its written policies and procedures regarding its expectations to protect student privacy are applicable to all institutions.

Analyst Remarks to Narrative:

The agency's written policies and procedures regarding its expectations to protect student privacy for programs offered via distance education and correspondence courses are included in the Federal Compliance Requirements (Exhibit A.1, FDCR.A.10.050). The Federal Compliance Requirement requires that the methods used by an institution include reasonable and appropriate safeguards to protect student privacy and that students are notified of any projected additional charges associated with the verification of identity at the time of registration or enrollment. However, this requirement appears to be only applicable to institutions that offer education via distance education or correspondence course. The requirement to protect student privacy in this section is not limited to those educational modalities.

The agency indicates that the site team evaluates the student privacy protections and any additional charge notifications during an evaluation. The examples provided include documentation of the submission of student verification information by institutions that offer distance education and/or correspondence courses, and that the information was reviewed and evaluated by site teams (Exhibits E.3 and E.4). The examples did not demonstrate that the agency evaluates student privacy protections and any additional charge notifications at all institutions.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

In June 2022, HLC adopted policy revisions that clarified HLC's requirements with respect to the protection of student privacy and disclosure of any student charges associated with the verification of student identity. (SEE EXHIBIT I.3: Adopted Policy on Verification of Student Identity) These policy revisions were effective immediately upon adoption.

Based on the adopted revisions, HLC policy now clearly provides that:

- an institution offering distance and/or correspondence education must have processes for ensuring that the student enrolled in the course or program is the one who participates and completes the program or course; and
• “Institutions must notify students at the time of registration or enrollment of any projected additional student charges associated with the verification of student identity such as separate fees charged by proctoring services, etc.”
• “All institutions must maintain procedures and processes for ensuring the protection of student privacy.” (SEE EXHIBIT I.1: HLC Policy Book, June 2022, FDCR.10.050, Institutional Practices for Verification of Student Identity and Protection of Student Privacy, p. 36)

As explained in the policy, such procedures and processes, including any methods related to student identity verification, must also implement reasonable and appropriate safeguards to protect student privacy. (ibid) This requirement applies regardless of modality.

As detailed in the policy, HLC shall regularly review an institution’s compliance with this policy within the context of the Criteria for Accreditation during a comprehensive evaluation. (ibid) To that end, HLC’s Federal Compliance process has been updated to reflect the policy change. (See EXHIBIT I.7: 2022 Federal Compliance Overview and EXHIBIT J.5: 2022 Federal Compliance Filing Template) Applicable evaluations occurring during fall 2022 reviewed an institution’s compliance with these revised requirements. (SEE EXHIBIT J.6: Sample Federal Compliance Filing)

Analyst Worksheet - Response
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Response

In response to the draft staff analysis, HLC revised its policies and procedures to require all institutions to use processes that protect student privacy. The agency provided the revised policy - Institutional Practices for Verification of Student Identity and Protection of Student Privacy – and documentation to demonstrate implementation of the revised policy (HLC Exhibits: HLC Policy Book, effective June 2022, FDCR.A.10.050; 2022 Federal Compliance Overview; and Sample Federal Compliance Filing).

List of Document(s) Uploaded by Analyst - Response

No file uploaded

Criteria: 602.18(a)-(b)(1)
Description of Criteria
(a) The agency must consistently apply and enforce standards that respect the stated mission of the institution, including religious mission, and that ensure that the education or training offered by an institution or program, including any offered through distance education, correspondence courses, or direct assessment education is of sufficient quality to achieve its stated objective for the duration of any accreditation or preaccreditation period.

(b) The agency meets the requirement in paragraph (a) of this section if the agency—

(1) Has written specification of the requirements for accreditation and preaccreditation that include clear standards for an institution or program to be accredited or preaccredited;

Narrative:
HLC has a variety of mechanisms for ensuring the consistent application and enforcement of its standards, which serve as indicators of institutional quality, in light of an institution’s unique mission and regardless of delivery modality. HLC policy requires that an institution be in compliance with all Eligibility Requirements, Assumed Practices, Federal Compliance Requirements and Criteria for Accreditation in order to obtain and maintain accredited status. (See EXHIBIT A.1: HLC Policy Book, INST.A.10.020, p. 61 and INST.A.10.030, p. 64) These requirements constitute the standards and clearly define the Commission’s expectations for the quality of the institutions and its programs. HLC policy also sets forth the Evaluative Framework, utilized by HLC in determining whether its standards are met. (ibid, INST.A.10.020, p. 61) Relatedly, HLC maintains a plethora of related process and procedure documents related to its requirements and standards on its website.

HLC standards and policies uniformly respect the mission of every member institution. HLC’s policies and procedures account for the myriad of different institutional missions within the membership, thus allowing institutions to demonstrate compliance with these policies in accordance with their mission. The fundamental element that underpins HLC policy is that institutional mission should guide an institution’s operations and activities; as a result, HLC expects that different institutions may demonstrate compliance with the Criteria for Accreditation in different ways. Criterion One focuses on institutional mission, as does Eligibility Requirement #5. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.010, p. 16 and CRRT.A.10.010, Eligibility Requirements, p. 11) Both of these requirements indicate that it is the institution’s prerogative to set its own mission. Ultimately, HLC accredits a broad variety of institutions, including many that have religious missions as indicated in §602.18(a)(3). However, HLC has a long history of recognizing and respecting the important role that institutional mission plays at an accredited institution in making its decisions regarding accreditation and preaccreditation. HLC also ensures a common understanding of its requirements by widely promulgating its standards and policies, primarily through the HLC website.

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The agency's standards, policies and procedures are written, published in its policy book, and available to the public and membership on its website, as confirmed by Department staff (Exhibit A.1). The standards and policies appear sufficiently clear and specific to describe the agency's expectations and respect the stated mission of the institution. HLC's standards and policies also ensure that the education offered, including through distance education or correspondence courses, is of sufficient quality to achieve the institution's stated objective. HLC provided information and documentation on how it trains its site visitors, decision-making body members, and institutions on any revisions to the standards, policies and procedures (Exhibits E.7, F.4, F.5, F.11, F.13, F.14, and G.20). During the virtual file review, Department staff reviewed accreditation reviews that demonstrated the enforcement of standards that respect the stated mission of the institution.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.18(b)(2)

(2) Has effective controls against the inconsistent application of the agency's standards;

Narrative:
HLC employs deliberate, three-pronged approach to ensuring consistency in accreditation reviews: (1) a rigorous onboarding training process for all peer reviewers and members of decision-making bodies,
ongoing training processes for such individuals, and (3) processes for reviewing the aggregate results of accreditation reviews to inform various organizational processes.

First and foremost, HLC devotes significant resources to ensuring that all individuals involved with accreditation reviews, including peer reviewers and decision-makers, are appropriately trained on HLC’s policies, practices, and procedures. An effective training protocol is paramount to consistency. As noted in previous sections, HLC has several training regimens and trains all peer reviewers and members of its decision-making bodies on its standards and their application during various evaluation activities, including their application to distance and correspondence education. (See EXHIBIT F.4: Overview of the Peer Corps) Prior to service, all peer reviewers, members of the Institutional Actions Council, Appeals Body members, and Trustees undergo onboarding training. These trainings are tailored to the unique role of each member. (ibid) Peer reviewers can also undergo specialized training in order to serve on various specialized reviews, such as Change of Control, Advisory Visits, Location Confirmation, etc. (ibid)

During the course of service, HLC requires that all peer reviewers undergo ongoing training to stay abreast of any changes in HLC’s requirements, as well as training to promote professional development of such individuals. (ibid) Members of the Institutional Actions Council undergo annual trainings. Trustees undergo regular trainings during Board meetings. (ibid)

Lastly, HLC has several processes for reviewing aggregate data related to completed accreditation reviews. These processes are aimed at comparing results of reviews, providing trendline data related to institutional performance, and enabling HLC to determine areas of potential improvement in providing resources to its institutions or clarifying its expectations. The two major areas in this regard are (1) the annual analysis of team reports and (2) the annual analysis of interim reports. (See EXHIBIT C.16: 2020 Analysis of Interim Reports; See also EXHIBIT C.17: 2020 Analysis of Team Reports)

Similarly, HLC’s layers of due process ensure consistency in decision-making. As described under §602.25, certain institutional actions must be reviewed de novo by both the Institutional Actions Council and the Board of Trustees. This process ensures HLC requirements are applied consistently across institutions.

Overall, all HLC’s processes are aimed at promoting and ensuring consistency in accreditation reviews, ensuring that requirements are appropriately applied to institutions in light of mission and that both the actual and perceived integrity of its reviews remains sacrosanct. To that end, HLC has a thorough and robust training program for peer reviewers and members of all decision-making bodies. (See EXHIBIT F.4: Overview of the Peer Corps)

Training of Peer Reviewers. The foundation for consistent application of standards is a robust program of training for peer reviewers. Thus, HLC provides a strong and mandatory training program for all reviewers and members of decision-making bodies. New peer reviewers are required to attend an in-person, multi-day training. (See EXHIBIT F.4: Overview of the Peer Review Corps) Experienced peer reviewers are required to participate in ongoing training throughout their terms of service. (ibid)

Similarly, HLC ensures that peer review teams consist of reviewers with appropriate educational background and professional experience to evaluate the institution effectively. (ibid, EXHIBIT B.13: HLC Team-Setting Process) Peer reviewers who conduct specialized evaluations, such as evaluations for Change of Control, Structure or Organization, Show-Cause, or Advisory Visits receive additional training. (See EXHIBIT F.4: Overview of the Peer Corps) HLC has also implemented a comprehensive system of
evaluation for its peer reviewers. Data collected through this system is used to inform ongoing improvement to training programs and to evaluate peer reviewers’ term of service. (ibid; see also EXHIBIT F.3: Peer Reviewer Evaluation Rubric)

Decision-Making. HLC also provides comprehensive training to members of its decision-making bodies. This approach ensures that team members and decision-makers consider similar issues in a consistent fashion. All members of a decision-making body, including the Board of Trustees, Institutional Actions Council, and Appeals Body are required to undergo training on HLC’s standards and their application prior to the start of their service. (See EXHIBIT F.4: Overview of the Peer Corps)

Finally, HLC staff liaisons and other appropriate staff are available to Commission evaluation teams during and after the on-site visit and to decision-making bodies to provide consistent explanations of Commission policy and procedure where appropriate.

Procedural Framework. The Commission provides a strong and consistent procedural framework for its processes that moves an institution forward uniformly through a series of activities towards Commission action regardless of whether the institution is being evaluated for initial or continued status. All institutions participate in a self-evaluation process and submit to the evaluation team and the Commission an artifact of that process. Where the institution has been recommended for sanction, Show-Cause Order, or withdrawal or is being evaluated for initial status, HLC has additional layers of due process that ensure consistency in decision-making. In such cases, the institution must appear before an IAC Hearing Committee. (See EXHIBIT A.1: HLC Policy Book, INST.D.20.010, p. 110) In cases of Show-Cause or a recommendation for an adverse action, the institution is also afforded an opportunity to appear before a Board Committee Hearing. (ibid, INST.E.30.010, p. 127 and INST.E.70.010, p. 138) HLC’s multiple layers of institutional due process will be discussed in greater detail under §602.25.

Oversight. Finally, all evaluation visits are reviewed through the Commission’s decision-making structures, with more than 90% of these evaluations being acted on by the Institutional Actions Council (IAC). The purpose of IAC is not only to review the file and take final action but also to ensure consistency across processes. Members of the IAC are specifically trained for this purpose. In addition, the IAC regularly reviews all its actions to ensure it is acting consistently and is encouraged to bring policy issues it notes in looking across processes and evaluations to the attention of Commission staff and the Board. The Board reviews the list of actions taken by IAC each year. The Board also takes all actions regarding sanction, denial/withdrawal or change of control, thereby ensuring a single consistent approach to these actions. These mechanisms ensure that the peer reviewers conducting evaluations, decision-making bodies and policy-making bodies are working consistently with a shared understanding of their work. An example of this is HLC’s annual Analysis of Interim Monitoring Reports, which assists the organization in identifying challenges most often confronted by its members by identifying the most common sources of interim monitoring (specifically in terms of Core Components). (See EXHIBIT C.16: 2020 Analysis of Interim Reports) In 2019, HLC also hired a full-time Director of Institutional Research with significant expertise in data mining and analysis. Using Power BI, a data analysis software, the Director of Institutional Research has significantly enhanced HLC’s ability to collect, analyze and act upon reliable data on the basis of discrete sample sizes of evaluations. As a result, HLC has greatly enhanced its long-standing activity of analyzing comprehensive evaluation team reports on an annual basis. (See EXHIBIT C.17: 2020 Analysis of Team Reports)
The agency has demonstrated throughout the petition that it has effective controls against the inconsistent application of its standards, to include: written standards, policies, and procedures that are publicly-available; guidance provided to institutions for the preparation or review of self-study materials; standardized on-site review documents; and a multi-level review (by site visitors and decision-making bodies) (Exhibits A.1 and E.7).

In addition, HLC provides a comprehensive initial training for site visitors, IAC members and board members, but also provides significant ongoing training to those individuals to ensure consistency of reviews and the application of standards (Exhibits B.13, F.3, F.4, F.5, F.11, F.13, and F.14). The agency also conducts an annual analysis of team reports and interim reports to assess potential areas of improvement for guidance to institutions and site visitors (Exhibits C.16 and C.17).

During the virtual file review, Department staff reviewed documentation of the training provided by the agency to institutions, site visitors, IAC members, and board members, in addition to the resources available to the public, to demonstrate that HLC has effective controls against the inconsistent application of the agency’s standards.
Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.18(b)(3)
Description of Criteria

(3) Bases decisions regarding accreditation and preaccreditation on the agency's published standards and does not use as a negative factor the institution’s religious mission-based policies, decisions, and practices in the areas covered by §602.16(a)(1)(ii), (iii), (iv), (vi), and (vii) provided, however, that the agency may require that the institution's or program's curricula include all core components required by the agency;

Narrative:
HLC policy requires that the Commission apply its standards consistently. (See EXHIBIT A.1: HLC Policy Book, PPAR.A.10.000, p. 207) The Commission effectively controls against inconsistent application through a variety of means. Further, as reiterated throughout this petition, HLC’s standards are applied in light of institutional mission. Thus, institutional mission, regardless of its basis, is never considered a negative factor in evaluating compliance.

HLC’s requirements for the grant of Candidate for Accreditation status and the award of maintenance of accreditation are clearly established in HLC policy. As stated in HLC Policy INST.B.020, an institution can only be awarded Candidate for Accreditation status if its meets HLC’s Eligibility Requirements, Assumed Practices, and Federal Compliance Requirements and has demonstrated a capacity to meet all of the Criteria for Accreditation within the Candidacy period. (See EXHIBIT A.1: HLC Policy Book, INST.B.20.020, p. 74) Under HLC Policy INST.C.10.010, an institution seeking continued accreditation must demonstrate that it meets HLC’s Criteria for Accreditation and Federal Compliance requirements. (ibid, p. 95) As mentioned under §602.18(a), HLC policy also sets forth the evaluative framework for the Criteria for Accreditation. (ibid, INST.A.10.020, p. 61)

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The agency has demonstrated via its application of written policies and processes throughout the petition that it bases decisions regarding preaccreditation and accreditation on published standards (Exhibit A.1). HLC applies its standards in light of an institution’s mission, which is not considered a negative factor in evaluating compliance.

The agency requires that institutions seeking a grant of accreditation must address all standards via the self-study. The site visit teams assess an institution’s compliance with each standard and verify the information in the self-study. The actions of the decision-making bodies are based on the information and recommendations provided by the institutions and site visit teams. Also, site visit teams and decision-making bodies follow a standardized, documented process in making preaccreditation and accreditation decisions, and that process allows only for accreditation decisions to be made based on the standards.

As noted in Section 602.16(a)(2), the agency reviews the likelihood of an institution to meet the agency’s standards in the review for preaccreditation, but otherwise follows the same process for a review for accreditation. There is no evidence that the agency bases its decisions on anything other than its published standards.

On September 24, 2019, the Department initiated an inquiry under Section 602.33 into the agency’s review and approval of the change of ownership submitted by the Art Institute of Colorado and the Illinois Institute of Art (the Institutes), that HLC did not follow its standards regarding a change of ownership or control by an accredited institution. On October 24, 2020, after a review of the final staff analysis and recommendation by NACIQI, the SDO found HLC out of compliance with Section 602.18(c) (now Section 602.18(b)(3)), as the agency did not demonstrate that it followed its standards when it moved the Institutes from accredited to candidacy status as a condition of approval of change of ownership or control application when it was not clear that the agency’s standards, policies, and procedures provided for that action (ED Exhibit 5 - SDO final decision 10.26.20_Redacted). HLC provided information and documentation regarding the applications for change of ownership or control for which a review and decision were made during the monitoring report period which demonstrated that HLC based its decisions on its published standards (ED Exhibit 17 - HLC Monitoring Report Resolution).

During the virtual file review, Department staff reviewed institutional files for preaccreditation and accreditation which demonstrated that the agency bases its decisions on published standards.

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HLC appreciates the thoroughness of the Department's review of HLC's adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.18(b)(4)
Description of Criterion

(4) Has a reasonable basis for determining that the information the agency relies on for making accrediting decisions is accurate;

Narrative:
The Commission also has several mechanisms for ensuring accuracy of information. First, the Commission asks institutions to document and support claims made in its filings to HLC. For example, such documentation would include financial audits, budgets, and bank statements for claims about financial resources, or bylaws, board minutes, or similar documents for claims about governance. Documentation related to claims regarding assessment would typically include student learning goals, outcomes data, process documents, improvement plans, etc. Such documentation should include evidence that it was been formally approved through the institution's appropriate governance process. (See EXHIBIT E.7: HLC Guidance - Providing Evidence for the Criteria for Accreditation)

Second, an on-site visit serves to validate or confirm information in the Assurance Filing or similar document through interviews with institutional personnel or students with whom the team meets while on campus. In addition, the team compares information in the Assurance Filing with other documents it may request during the site visit. (See EXHIBIT F.4: Overview of the Peer Corps)

Third, the Commission provides an opportunity for institutions to review a draft team report following routine evaluative processes, such as a comprehensive evaluation or focused visit. This step allows an institution to identify any errors of fact in the draft report so that the team can correct such errors prior to issuing a final report. (See EXHIBIT B.26: Comprehensive Evaluation Procedure, for an example process demonstrating this step of a review process)

Fourth, the decision-making body, whether IAC or the Board, reviews de novo the entire record of the evaluation and compares the information in the institution's documents with information in the team
Both bodies have the authority to make different findings of fact or different application of standards to the facts if these bodies decide, upon reviewing the entire record, that the team erred in its findings or its application of the standards based on its findings. (ibid) Elements of the process work together to give reasonable certainty regarding the accuracy of information the Commission relies on in reaching its accrediting decision. Lastly, HLC's training regimen for peer reviewers also ensures that peer reviewers are sufficiently trained to validate and verify claims made in an institutional filing. (See EXHIBIT F.4: Overview of the Peer Corps)

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Analyzer Worksheet- Narrative
Analyzer Review Status:

Meets the requirements of this section

Analyzer Remarks to Narrative:

The agency has a reasonable basis for determining that the information the agency relies on for making accrediting decisions is accurate based on HLC's review processes. Within the agency's Obligations of Membership, an institution is required to be "candid, transparent, and forthcoming" in all interactions with and submissions to HLC (Exhibit A.1, INST.B.30.020). HLC's preaccreditation and accreditation processes require the institution to submit a self-study that is verified by the site visit team and supported by external documentation, such as audited financial statements (Exhibits E.7 and F.4). The institution has the opportunity to review, respond, and make factual corrections to the site visit report (Exhibit B.26). The self-study, the response, and any other documentation submitted during the preaccreditation or accreditation process are provided to the IAC and/or board of trustees for a de novo review (Exhibit A.1, INST.D.10.010 and INST.D.40.010). The agency provided documentation of this process throughout the petition and Department staff observed this process at the January 2022 IAC meeting and February 2022 board meeting. During the virtual file review, Department staff observed the use of a "Certification Form" for institutions seeking accreditation and an accuracy verification in the submission of annual reports for accredited institutions.
HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.18(b)(5)
Description of Criteria

(5) Provides the institution or program with a detailed written report that clearly identifies any deficiencies in the institution's or program's compliance with the agency's standards; and

Narrative:
As further described under §602.25, HLC provides an institution with a written report following any peer review evaluation, Institutional Actions Council Hearing Committee, Board Committee Hearing, and final action. (See generally, ibid, INST.G.10.020, p. 177) In a case where deficiencies are identified — in particular situations in which one or more Core Components are identified as Not Met — the Action Letter regarding the Board of Trustees' action sets forth the specific rationale for that action. (ibid, INST.D.10.010, p. 106) For a case study demonstrating the various written reports provided to an institution in cases where deficiencies are identified, see EXHIBIT E.5: Sanction Case Study 1 p. 1198 and EXHIBIT E.16: Sanction Case Study 2 p. 310.

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Meets the requirements of this section

The agency provides the institution with a detailed written report that clearly identifies any deficiencies in the institution’s compliance with HLC’s standards (Exhibit A.1, INST.G.10.020). HLC has provided copies of reports and correspondence for different reviews that verify that the agency provides clear statements of specific areas of non-compliance with the agency’s standards (Exhibits E.2, E.3, E.4, E.5, and E.16). During the virtual file review, Department staff reviewed multiple institutional files for preaccreditation and accreditation which demonstrated that the agency provides a detailed written report that that clearly identifies any deficiencies in the institution’s compliance with the agency’s standards.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.18(b)(6)(i-ii)

(6) Publishes any policies for retroactive application of an accreditation decision, which must not provide for an effective date that predates either—

(i) An earlier denial by the agency of accreditation or preaccreditation to the institution or program; or
(ii) The agency's formal approval of the institution or program for consideration in the agency's accreditation or preaccreditation process.

Narrative:
Under HLC policy, accreditation actions shall not be retroactive and shall typically be effective as of the date the action was taken, with the primary exceptions being the date of initial accreditation and the date on which an adverse action is taken. (See EXHIBIT A.1: HLC Policy Book, INST.B.20.030, p. 80)

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Analyst Worksheet - Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

This regulation is optional for agencies to enact and HLC has stated that it does not have any policies related to the retroactive application of an accreditation decision. The effective date of an accreditation action is the date the action is taken except for the date of initial accreditation and the date on which an adverse action is effective, which would not be retroactive (Exhibit A.1, INST.B.20.030).

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:
Criteria: 602.18(c)
Description of Criteria

(c) Nothing in this part prohibits an agency, when special circumstances exist, to include innovative program delivery approaches or, when an undue hardship on students occurs, from applying equivalent written standards, policies, and procedures that provide alternative means of satisfying one or more of the requirements set forth in 34 CFR 602.16, 602.17, 602.19, 602.20, 602.22, and 602.24, as compared with written standards, policies, and procedures the agency ordinarily applies, if—

(1) The alternative standards, policies, and procedures, and the selection of institutions or programs to which they will be applied, are approved by the agency's decision-making body and otherwise meet the intent of the agency's expectations and requirements;
(2) The agency sets and applies equivalent goals and metrics for assessing the performance of institutions or programs;
(3) The agency's process for establishing and applying the alternative standards, policies, and procedures is set forth in its published accreditation manuals; and
(4) The agency requires institutions or programs seeking the application of alternative standards to demonstrate the need for an alternative assessment approach, that students will receive equivalent benefit, and that students will not be harmed through such application.

Narrative:
The Commission has one set of standards, encompassing the Criteria for Accreditation, the Assumed Practices, Eligibility Requirements, and Federal Compliance Requirements that apply to all institutions, whether they are applying for accreditation or in an ongoing accredited relationship with the Commission. This includes their application to institutions undergoing substantive change such as initiation of distance delivery or a new additional location; in such cases, the Commission must evaluate the proposed substantive change using those evaluative concepts derived from the Criteria and appropriate for the type of substantive change being proposed, as will be further discussed under §602.22.

Document(s) for this Section

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Analyst Worksheet- Narrative
Analyst Review Status:

Analyst Remarks to Narrative:
This regulation is optional for agencies to enact and HLC has stated that it does not have alternative standards.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC concurs with the Department's conclusion that this section is not applicable to HLC.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.18(d)
Description of Criteria

(d) Nothing in this part prohibits an agency from permitting the institution or program to be out of compliance with one or more of its standards, policies, and procedures adopted in satisfaction of §§602.16, 602.17, 602.19, 602.20, 602.22, and 602.24 for a period of time, as determined by the agency annually, not to exceed three years unless the agency determines there is good cause to extend the period of time, and if—

(1) The agency and the institution or program can show that the circumstances requiring the period of noncompliance are beyond the institution's or program's control, such as—

(i) A natural disaster or other catastrophic event significantly impacting an institution's or program's operations;
(ii) Accepting students from another institution that is implementing a teach-out or closing;
(iii) Significant and documented local or national economic changes, such as an economic recession or closure of a large local employer;
(iv) Changes relating to State licensure requirements;
(v) The normal application of the agency's standards creates an undue hardship on students; or
(vi) Instructors who do not meet the agency's typical faculty standards, but who are otherwise qualified by education or work experience, to teach courses within a dual or concurrent enrollment program, as defined in 20 U.S.C. 7801, or career and technical education courses;
(2) The grant of the period of noncompliance is approved by the agency's decision-making body;
(3) The agency projects that the institution or program has the resources necessary to achieve compliance with the standard, policy, or procedure postponed within the time allotted; and
(4) The institution or program demonstrates to the satisfaction of the agency that the period of noncompliance will not—
   (i) Contribute to the cost of the program to the student without the student's consent;
   (ii) Create any undue hardship on, or harm to, students; or
   (iii) Compromise the program's academic quality.

Narrative:
HLC policy requires that an institution be in compliance with all Eligibility Requirements, Assumed Practices, Federal Compliance Requirements and Criteria for Accreditation in order to obtain accredited status. (See EXHIBIT 1: HLC Policy Book, INST.B.20.020, p. 74) Moreover, an institution must continue to be in compliance with these requirements in order to maintain accredited status, even if an affirmative demonstration of compliance need not be required in every evaluation for certain requirements. (Ibid; see also, INST.C.10.030, p. 103) (Generally, accredited institutions need not specifically write to the Assumed Practices or Eligibility Requirements unless required to do so by an HLC decision-making body. However, such institutions must remain in compliance with these requirements in addition to the Criteria for Accreditation and Federal Compliance Requirements at all times.) (Ibid) Finally, HLC has made abundantly clear that every expectation of institutions articulated in its Policy Book beyond the above standards is an HLC requirement.

If evidence of noncompliance with HLC requirements is found during any evaluation process, appropriate action by an HLC decision-making body is required. Noncompliance with the Criteria for Accreditation under current policy requires a recommendation of either Probation, Show-Cause, or withdrawal of accreditation by a peer review team. An action by the Board of Trustees to issue a Show-Cause Order to an institution, which shall be for a period of no more than one year, requires that the institution show cause as to why accreditation should not be withdrawn. It should be noted that Show-Cause is a procedural order (and not a sanction) that shifts the burden to an institution to present evidence as to why accreditation should not be withdrawn. (Ibid, INST.E.30.010, p. 127)

HLC policy does not require a progressive sanction process. Therefore, HLC's Board of Trustees may act to withdraw accreditation, without an institution having been placed on any prior sanction, if it does not meet the Criteria for Accreditation. At the discretion of the HLC Board, based on the evidence presented, HLC may elect to place an institution on Probation to allow for the institution to remedy issues of non-compliance. Policy allows for the initial Probation period to range from one year to no more than two years, depending on the specific areas of noncompliance and how quickly the institution can remediate the issues identified. Under HLC policy, the Probation timeframe begins on the date the HLC Board places the institution on Probation and ends with the HLC Board's decision at a regularly scheduled meeting that occurs at the end of the Probation period. (See EXHIBIT A.1: HLC Policy Book, INST.E.20.010, p. 121) At that time, the HLC Board may remove Probation if the institution has demonstrated compliance with HLC standards, may extend Probation for no more than one year if certain requirements are met, may withdraw accreditation if compliance is not demonstrated, or may take other action allowed for by HLC policy.
As set forth in policy, an institution may be eligible for one good-cause extension of the Probation period if the following conditions are met:

- The institution provides clear evidence of substantial progress towards meeting the Criteria for Accreditation (or Federal Compliance Requirements or cited Assumed Practices as applicable), including evidence of substantial implementation of necessary improvements, in the majority of areas in which the institution has been previously found to be non-compliant;
- The institution provides verifiable plans to cure the remaining areas of non-compliance or any other areas of non-compliance identified in the action granting the extension by the end of the extension period;
- The institution has sufficient capacity and resources in place to cure the identified areas of non-compliance during the extension; and
- There is a likelihood that the institution will be able to demonstrate compliance with all the Criteria for Accreditation and the Core Components by the end of the extension.

As stated in policy, at no point shall an institution be on Probation, or otherwise out of compliance with HLC requirements, for three or more years. (ibid) For a sample case study involving the extension of Probation, see EXHIBIT E.1: Extension of Probation Case Study. Except for cases in which HLC applied a temporary policy permitted by federally issued guidance related to COVID-19 to extend the maximum timeframe for sanctions, there are no exceptions to this policy. (See EXHIBIT B.3: Explanation of Temporary COVID-19 Policy)

Ultimately, HLC has clear policies that require its member institutions to meet all standards and has adopted a maximum timeframe for non-compliance of three years while taking into account the challenges of the current pandemic and flexibilities currently allowed by federal guidance.

It should also be noted that HLC maintains the sanction of Notice. Under policy, an institution may be placed on Notice if, while in compliance with HLC standards at the time of action, the institution is found to be at risk of non-compliance with such standards. (ibid, INST.E.10.010) Similar to Probation, an institution can be placed on Notice for one or two years, with an opportunity for extension of the sanction based on certain conditions, at the discretion of the HLC Board of Trustees. (ibid)
The agency stated that it has policies and procedures that demonstrate compliance with this regulation. However, the agency’s policies and procedures provided are the ones required by Section 602.20 and are not related to noncompliance by any institution related to circumstances beyond an institution’s control as described specifically in Section 602.18(d)(1). This regulation is optional for agencies to enact and it does not appear that HLC has enacted any policies related to circumstances beyond an institution’s control that affect its ability to demonstrate compliance with the agency’s standards.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC concurs with the Department’s conclusion that this section is not applicable to HLC.

Criteria: 602.19(a)
Description of Criteria

(a) The agency must reevaluate, at regularly established intervals, the institutions or programs it has accredited or preaccredited.

Narrative:
HLC policy requires routine reevaluation of an institution to ensure continued compliance with the Criteria for Accreditation and other requirements. Commission policy requires that an institution have its accreditation reaffirmed not later than 10 years (with a one-year extension to 11 years allowable under Commission policy in certain cases) following the previous reaffirmation. (EXHIBIT A.1: HLC Policy Book, INST.B.20.030, p. 80) An institution that has been granted initial accreditation must have its accreditation reaffirmed within five years of the action to grant initial accreditation. (ibid)

While HLC utilizes a ten-year accreditation cycle, the Commission maintains a pathways program, which
provides for distinct approaches to scheduling evaluations within the ten-year cycle. Ultimately, HLC requires an institution to undergo regular comprehensive reviews of its compliance with the Criteria for Accreditation. Under policy, such reviews occur, at a minimum, every six years. (ibid, INST.C.10.020, p. 99) The exact frequency of these evaluations is determined by the accreditation pathway in which institution participates. Currently, HLC maintains two accreditation pathways: Open and Standard. Institutions are identified for a pathway based on their accreditation history. Generally, institutions in the Open Pathway are institutions with a record that includes minimal, if any, monitoring and no history of sanctions, rapid growth or other factors that generally would suggest a need for closer attention by HLC; institutions with such accreditation history may choose either the Open or Standard Pathway. Institutions that have a history of monitoring or otherwise meet one or more of the factors noted above are limited to the Standard Pathway. Some institutions, however, elect to remain on the Standard Pathway.

Institutions on the Open and Standard Pathways follow the same overall timeline for evaluations, as both pathways delineate a ten-year cycle that culminates in a comprehensive evaluation for reaffirmation of accreditation. In Year 4 of these pathways, an institution undergoes a mid-cycle review of its compliance with the Criteria for Accreditation. In both the Standard and Open Pathways an institution submits an Assurance Filing supported by appropriate evidence. On the Standard Pathway, an institution then hosts an on-site evaluation visit to validate and verify the evidence provided by the institution in the Assurance Filing. On the Open Pathway, an on-site evaluation visit could be called for by the evaluation team conducting a documentary review but, is otherwise not required in Year 4 (this process for the Open Pathway is called the “Assurance Review” in policy). (ibid)

All institutions undergo a comprehensive evaluation for reaffirmation of accreditation at least once every ten years, which includes an on-site visit by a peer review team. Any comprehensive evaluation on a pathway, however, results in a thorough review of the institution’s compliance with HLC standards. As part of the reaffirmation process, in Year 10 of both the Open and Standard Pathways, an institution must prepare an Assurance Filing supported by evidence that it meets HLC standards and the Federal Compliance requirements; and must host a team evaluation on a schedule outlined in policy for that Pathway. (ibid) These evaluations result in a report detailing an institution’s ability to meet all standards in the Criteria for Accreditation. (See EXHIBIT D.15: Overview of the Open and Standard Pathways)

An institution granted Candidate for Accreditation status must be reevaluated two years following the action to grant Candidacy, known as a biennial evaluation, to ensure that the institution is making good progress towards meeting the Commission’s standards within the four years of candidacy. (See EXHIBIT A.1: HLC Policy Book, INST.B.20.020, p. 74) At the end of the Candidacy period, and institution is then required to undergo a comprehensive evaluation for Initial Accreditation. (ibid)

In addition to its required schedules of routine reevaluation noted above, HLC maintains strong processes and procedures to determine when additional evaluations are required during the pathway cycle. These processes and procedures are described in detail under §602.19(b).

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The agency has a written policy that clearly states that grants of accreditation will not exceed 10 years (with a possible one-year extension) and that accreditation actions are based on a self-study, site visit, institutional response, and institutional outcomes (Exhibit A.1, INST.C.10.010). An institution seeking a renewal of accreditation is on either the Standard or Open Pathway, which is dependent on the institution’s accreditation history with HLC (Exhibit D.15). Institutions on both pathways are required to submit a self-study (assurance filing) in year four, and institutions on the Standard Pathway are also required to host a site visit, which is not required for institutions on the Open Pathway. In year 10, institutions on both pathways are required to submit a self-study and host a site visit.

The agency also has a written policy regarding the reevaluation of an institution that receives initial accreditation that will not exceed four years (Exhibit A.1, INST.C.10.010). The institution is required to submit a self-study and host a site visit for reevaluation of its accredited status.

The examples of the accreditation process provided throughout the petition and during the virtual file review demonstrate that HLC reevaluates institutions at regularly established intervals.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.
Criteria: 602.19(b)

Description of Criteria

(b) The agency must demonstrate it has, and effectively applies, monitoring and evaluation approaches that enable the agency to identify problems with an institution's or program's continued compliance with agency standards and that take into account institutional or program strengths and stability. These approaches must include periodic reports, and collection and analysis of key data and indicators, identified by the agency, including, but not limited to, fiscal information and measures of student achievement, consistent with the provisions of §602.16(g). This provision does not require institutions or programs to provide annual reports on each specific accreditation criterion.

Narrative:
HLC maintains multiple effective processes to ensure an institution remains in compliance with standards. Between the routine comprehensive evaluations described under §602.19(a), HLC maintains effective monitoring processes that serve to ensure continued compliance; HLC has several processes that require institutions to submit annually for review information on multiple key indicators. HLC also maintains processes for conducting reviews between comprehensive evaluations if HLC receives information that raises concerns regarding an institution's compliance.

Following any of the review processes mentioned under §602.19(a), an institution can be recommended for additional monitoring including interim reports and focused evaluations, or depending on the severity of underlying issues, the institution could be recommended for a sanction or adverse action. For example, based on a comprehensive evaluation, a peer review team could recommend continued accreditation for the institution, but also recommend that the institution be scheduled for a focused visit before its next routine comprehensive evaluation. Typically, such monitoring is required when an institution remains in compliance with the Criteria for Accreditation, but the team or the Institutional Actions Council finds concerns related to a Criterion or Core Component and determines additional monitoring is necessary to ensure continued compliance. (See EXHIBIT A.1: HLC Policy Book, INST.F.10.010, p. 144)

HLC also maintains an annual indicators process to further assure compliance on an ongoing basis and to determine whether there are any trends that suggest a need for HLC follow-up. As part of this process, an institution is required to submit an annual report to HLC called the Institutional Update. As prescribed by policy, a member institution is required to submit certain data each academic year. This information includes: financial data, enrollment data, the number of degrees awarded, program data, etc. HLC then uses this data to compile certain indicators that are used as benchmark measures. Included in these indicators are measures of financial stability (including a financial composite score), measures of sustainable growth, and measures of program completion and degrees awarded. While HLC does not directly collect student achievement data, such as completion rates, it has created proxy indicators that serve to ascertain if an institution needs further review on these measures. HLC has also highlighted the importance of outcomes in its E.V.O.L.V.E. 2025 Strategic Plan and is partnering with the National Student Clearinghouse to enhance its efforts in this area (See EXHIBIT H.4: Introduction to Petition) As stated in the Non-Financial Indicators process, these indicators include a measure of the number of degrees awarded and a measure that utilizes the number of degrees awarded divided by the
number of enrolled students, which is then used to compare the institution to its peers. (See EXHIBIT A.1: HLC Policy Book, INST.F.10.010, p. 144, EXHIBIT B.16: 2020 Institutional Update Guide, and EXHIBIT B.17: Financial and Non-Financial Indicators Process)

As dictated in policy, data obtained from the Institutional Update is used to determine whether further review by HLC is necessary. This non-routine review occurs under one of two Commission processes based on the data in the Institutional Update – the Financial Indicators Process and the Non-Financial Indicators Process. Under policy, if an institution is flagged in either process, it signals that, at a minimum, the institution meets certain related Core Components with concerns. (See EXHIBIT B.17: Financial and Non-Financial Indicators Process)

Under the Financial Indicators process, an institution is flagged for review if it is ‘below the zone’ or ‘in the zone’ for two or more consecutive years. If the institution is flagged under these conditions, it is automatically required to submit an interim monitoring report on the appropriate indicators including finances. Because of the specialized nature of these reports, HLC maintains a specially-trained group of peer reviewers to serve on Financial Indicators panels, which are tasked with reviewing these reports. (See EXHIBIT F.4: Overview of the Peer Corps and EXHIBIT C.18: Financial Indicators Panel Members) The panel reviews the relevant data to ensure continued compliance with HLC standards. If the panel determines that the information indicates the possibility of noncompliance with the standards, the panel will make a recommendation for further review under other HLC processes including a focused evaluation or an Advisory Visit, which is an emergency visit to an institution when HLC has strong reason to believe an institution is not in compliance currently with HLC standards. This monitoring process may result in a sanction or an action for withdrawal of accreditation if it is determined that the institution is not in compliance with HLC standards and cannot bring itself into compliance in the two years allowed for in HLC policy for remediation of non-compliance. This process ensures that HLC standards related to financial integrity and financial solvency continue to be met between regularly-scheduled comprehensive evaluations. (See EXHIBIT B.17: Financial and Non-Financial Indicators Process and EXHIBIT E.8: Sample Financial Indicators Case Study)

Under the Non-Financial Indicators process, HLC utilizes the information obtained from the Institution Update to review an institution’s compliance with HLC standards that are not related to financial integrity. This process allows HLC to monitor critical factors related to student achievement, faculty and program quality, and related standards. HLC provides a crosswalk to institutions that demonstrates the alignment of the Non-Financial Indicators to compliance with specific Criteria for Accreditation. Under this process, HLC has developed seven indicators that are reviewed annually, and maintains a clear set of thresholds that flag those institutions that are outside acceptable zones and therefore indicate possible concerns regarding the institution’s compliance with HLC standards. As stated in policy, these thresholds relate to rapid changes in enrollment, increasing student default rate, faculty changes, changes in the number of degrees awarded, and weak graduation and persistence rates. Under this process, an institution is compared to its Carnegie classification peers in terms of graduation and persistence rates and is flagged for review if its rates are 5% or more below the average. An institution that is flagged must undergo a review and submit additional information to HLC. If an institution triggers further review under this process, it indicates that the institution may be at risk of not meeting the relevant Criteria for Accreditation and/or Assumed Practices. (See EXHIBIT B.17: Financial and Non-Financial Indicators Process)

As with the Financial Indicators process, HLC maintains a specialized set of peer reviewers that are trained to review Non-Financial Indicator Reports. (See EXHIBIT C.19: Non-Financial Indicator Panel
Members) HLC assembles a panel to review Non-Financial Indicator reports submitted by those institutions that flagged during the annual reporting process. If the panel determines that the information indicates noncompliance or risk of noncompliance with the standards, the panel may make a recommendation for further review under other HLC processes. Such processes include additional reports, focused evaluations, or possibly Advisory Visits in situations where the information indicates an urgent situation of non-compliance justifying immediate investigation. Thus, the Non-Financial Indicators Process ensures that institutions are meeting HLC standards continuously throughout the accreditation cycle and between their scheduled comprehensive evaluations. (See EXHIBIT E.9: Non-Financial Indicators Case Study) The Non-Financial Indicators Process provides a robust approach for identification and follow-up on possible non-compliance between evaluation visits.

Due to text limitations, please see EXHIBIT H.8: Addendum to 602.19(b) for the remainder of HLC’s response to this section.

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<td>EXHIBIT K.8 Complaint Case Study.pdf</td>
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Analyst Worksheet- Narrative

Analyst Review Status:

Substantially Compliant

Staff Determination:

The agency needs to provide additional information and documentation concerning its monitoring and evaluation approaches to enable the agency to identify problems with an institution's continued compliance with agency standards.

Analyst Remarks to Narrative:
The agency uses its annual report (institutional update) as its primary tool for monitoring the continued compliance of preaccredited and accredited institutions with the agency's standards (Exhibit A.1, INST.F.10.010). As stated in Section 602.19(a), the agency conducts a comprehensive compliance review at each institution at least once every six years (depending on pathway), and conducts a comprehensive review for accreditation, to include a site visit, at least once every 10 years.

The agency stated that all institutions must submit an annual report, which includes the reporting of non-financial and financial data, as well as changes to many other areas covered by the agency's standards (Exhibit A.1, INST.F.10.010). The non-financial data include items such as the number of degrees awarded divided by the number of enrolled students, as the agency does not directly collect student achievement data, such as completion rates (Exhibit B.16). The agency uses the data provided to determine if further review is necessary - based on either financial or non-financial indicators (Exhibit B.17).

The agency described its process to review the annual report provided by each institution, to include how it identifies institutions for further review and the actions it could take as the result of its monitoring efforts (Exhibits B.17). For financial data, an institution is flagged for review if it is 'below the zone' or 'in the zone' for two or more consecutive years based on the review of submitted financial data and is required to submit an interim monitoring report. HLC maintains a pool of specialized reviewers for financial issues and reports (Exhibit C.18) and can refer institutions for further action or monitoring. For non-financial data, an institution is flagged for review based on thresholds related to rapid changes in enrollment, increasing student default rate, faculty changes, changes in the number of degrees awarded, and weak graduation and persistence rates as compared with peer institutions. An institution flagged for non-financial review must submit additional information in the specific area to demonstrate compliance. HLC maintains a pool of specialized reviewers for non-financial issues and reports (Exhibit C.19) and can refer institutions for further action or monitoring. The agency provided examples of letters to institutions to demonstrate review and action taken as a result of the review of the annual reports (Exhibits E.8 and E.9). During the virtual file review, the agency provided additional examples of completed annual reports and letters to institutions based on the review of the annual reports.

Beyond the annual report, HLC also uses “institutional designations” in certain circumstances, such as when an institution is in financial distress or a governmental investigation raises significant questions about an institution’s integrity. The agency provided its institutional designations process and procedure (Exhibits A.1, INST.F.20.010; B.14; and B.29). HLC provided an example of the use of the “financial distress” institutional designation when the agency found an institution had been cited by the Department for failing its Title-IV program responsibilities and reported that finding to the Securities Exchange Commission (SEC) as a “going concern” with its financials (Exhibit E.12). During the virtual file review, HLC provided an example of when the agency found an institution was under investigation of alleged unfair and/or deceptive acts or practices in connection with the recruitment of students and the financing of student education by the Massachusetts Attorney General’s office and reported the investigation to the Securities Exchange Commission (SEC) in November 2017 (ED Exhibit 13 - 2853 20180105 Official Correspondence - Letter_Redacted). HLC imposed a “Governmental Investigations Designation” on the institution in February 2018, which included public notice of the designation on the agency’s website and required the institution to submit an interim report until the investigation was concluded (ED Exhibit 14 - 2853 20180207 Official Correspondence - Letter_Redacted). HLC included a review of the areas directly related to those under investigation within the institution’s mid-cycle accreditation review that occurred at the same time the investigation was concluded and a settlement was reached (ED Exhibit 16 - 2853 20180913 Mid-Cycle Review Standard - Team Report_Redacted and
ED Exhibit 15 - 2853 20180814 Official Correspondence - Letter_Redacted). This settlement was referenced in a third-party written comment (Public Comment Haynes).

The agency also monitors institutions via a recommendation from HLC staff based on information received from another accrediting agency or external source, as well as via an advisory visit at the direction of the HLC president (Exhibit A.1, COMM.B.10.020 and INST.F.20.010). The agency provided documentation of use of such monitoring mechanisms (Exhibit E.14). Based on the review, an institution could be subject to further action or monitoring and HLC provided an example of such action during the virtual file review (ED Exhibit 19 - 1328 20210429 Specialized Accreditation - Letter_Redacted).

HLC utilizes interim reports and focused evaluations as part of its monitoring mechanism (Exhibit A.1, INST.F.10.010). During the virtual file review, HLC provided examples of its use of interim reports and the related agency decision letters. One of the examples was to respond to the institution’s “insufficient [publication of] student outcome data” and failure to “provide pass rates on licensing/certifying examinations,” which demonstrates implementation of this monitoring approach in the review of measures of student achievement (ED Exhibit 18 - 1260 20200901 Interim Report - Institutional Report_Redacted).

The Department received written comments that expressed concern about HLC’s review of recruiting and admissions practices and Title IV responsibilities outside a comprehensive accreditation review (Public Comment Haynes, Public Comment Navarro, and Public Comment Moultrie). Two written comments noted the January 2019 settlement between the parent company of a few HLC-accredited institutions, American InterContinental University, Colorado Technical University, and Sanford-Brown College, and attorneys general from 48 states for unfair and deceptive recruiting and admissions practices for years, including misleading prospective students about actual costs, the transferability of credits, accreditation, program offerings, and accurate job placement rates. Two written comments noted the August 2019 settlement between the parent company of a few HLC-accredited institutions, American InterContinental University, Colorado Technical University, and Sanford-Brown College, and the Federal Trade Commission (FTC) for using unlawful tactics to generate leads. One written comment included the December 2019 settlement between an HLC-accredited institution, University of Phoenix, and the FTC for making misleading claims that it had special relationships with high-profile companies and others that created employment opportunities specifically for Phoenix students. Two written comments include the January 2022 class action lawsuit filed against an HLC-accredited institution, Walden University, that alleges the institution advertised false and misleading course requirements and then required substantial additional coursework beyond what was originally advertised to complete the program. One written comment noted the investigation by ProPublica and the Detroit Free Press about the exaggerated graduation and employment claims made by an HLC-accredited institution, Baker College. One written comment noted the investigation by ProPublica and the Detroit Free Press that included the problems that over 70% of students had making payments on federal student loans two years after leaving an HLC-accredited institution, Baker College, as reported on the College Scorecard. Another written comment noted concerns regarding the ability of HLC-accredited institutions, Colorado Technical University, Trident University International, and American InterContinental University, to meet the non-Title IV (90/10) revenue requirement related to an institution’s eligibility to participate in Title IV funding programs that are administered by the Department’s Office of Federal Student Aid (FSA). In response to the draft staff analysis, HLC needs to explain what steps it has taken (and is currently taking) to monitor and address the types of problems identified in the comments, both in regard to the specific institutions identified and more broadly.
As noted in the Draft Analysis, HLC maintains robust processes for ensuring institutional compliance with HLC requirements between comprehensive evaluations. HLC understands that the Department’s concerns pertain to the application of these processes to the monitoring of recruitment, marketing, and related institutional practices (those areas generally referred to as “consumer protection”) as they relate to a small number of Third-Party Comments. Due to the character limitations of the Department’s system, please see EXHIBIT J.30: HLC Response to 602.19(b) for HLC’s response to this section.

In response to the draft staff analysis, HLC provided additional information and documentation regarding its monitoring and evaluation approaches. The agency’s comprehensive narrative response is included as HLC Exhibit: HLC Response to 602.19(b).
HLC reiterated its monitoring approaches outside of a comprehensive accreditation review, to include an annual report (Institutional Update) of financial and non-financial indicators, routine monitoring (Interim Reports and Focused Visits) and special monitoring (Institutional Designations and Advisory Visits), noted in the draft staff analysis. The agency described further the Special Monitoring and Institutional Designations process and provided the related policies and procedures (HLC Exhibits: Special Monitoring Procedure and Institutional Designations Procedure (Internal)).

The agency’s standards (Criteria and Core Components) and requirements (Assumed Practices and Federal Compliance Requirements) expect institutions to have fair and equitable policies and procedures, specifically related to public information, review of student outcome data, and recruiting and admissions (HLC Exhibit: HLC Policy Book, June 2022, CRRT.B.10.010, CRRT.B.10.020, FDCR.A.10.070, FDCR.A.10.080, and CRRT.C.10.010). HLC stated its requirement of institutions to comply with State and Federal laws as part of its Obligations of Membership (HLC Exhibit: HLC Policy Book, June 2022, INST.B.30.020).

HLC also described its Federal Compliance Filing which verifies the public disclosure of certain student achievement data and the data calculation method as a part of any comprehensive accreditation review or “upon demand” (HLC Exhibits: HLC Policy Book, June 2022, FDCR.A.10.010; 2022 Federal Compliance Overview; 2022 Federal Compliance Filing Template; and Sample Federal Compliance Filing). The agency stated that it has news alerts for any information that might require HLC action (HLC Exhibit: Sample HLC Media Update).

HLC provided additional information and documentation related to the review of the institutions noted in the draft staff analysis from third-party comments. The agency emphasized that many of the institutional examples noted in the comments were related to issues that predate the current recognition period and were also reviewed under standards and policies that have since been revised.

For American InterContinental University (AICU) and Colorado Technical University (CTU), HLC became aware that the parent company to the institutions, Career Education Corporation (CEC), was reviewing its placement rate disclosures via a filing with the Securities and Exchange Commission (SEC) in 2011. The agency requested information and documentation and CEC provided it in 2012, to include revised procedures and additional controls to ensure accurate disclosure of placement rates (HLC Exhibit: Career Education Corporation Case Study 2011-2014, pages 1-2 and 4-43). HLC required CEC provide additional information for the comprehensive accreditation review at CTU scheduled later in 2012 and the site team found the institution met the agency’s standards with concerns in this area (HLC Exhibit: Career Education Corporation Case Study 2011-2014, pages 44-45 and 46-148). In early 2013, the agency acted to continue accreditation of CTU with interim reporting (HLC Exhibit: Career Education Corporation Case Study 2011-2014, pages 46-148).
For University of Phoenix (Phoenix), HLC became aware of an FTC investigation via a filing with the SEC in 2015 and utilized its special monitoring policy to require Phoenix to demonstrate compliance with the agency’s standards (HLC Exhibit: University of Phoenix Special Monitoring, pages 1-2). Phoenix provided its report and separately submitted a change of ownership application, so HLC combined the reviews (HLC Exhibits: University of Phoenix Special Monitoring, pages 3-500; and University of Phoenix Change of Control and Monitoring). The change of ownership site team noted areas of concern related to the investigation and other legal actions during its review and HLC required Phoenix to report on those areas (HLC Exhibit: University of Phoenix Change of Control and Monitoring, pages 1-111). The agency continued to review the bases for the investigation and other legal action during the site visit that occurred six months after the change in ownership and in the monitoring reports in the subsequent two years (HLC Exhibit: University of Phoenix Change of Control and Monitoring, pages 112-1103). HLC determined that Phoenix had resolved the concerns in 2019, but noted that the site team for the comprehensive accreditation review in 2022-2023 has access to these documents as part of the Phoenix file.

For DeVry University (DeVry), HLC utilized its special monitoring policy to require DeVry to demonstrate compliance with the agency’s standards and post a Public Disclosure Notice once it became aware of potential enforcement actions by the Department and the FTC in 2016 (HLC Exhibit: Designation Case Study 2, pages 1-4). The agency also required the institution to submit regular special monitoring reports attesting to its ongoing compliance with HLC requirements in light of the pending actions, since HLC did not have access to any non-public information from the Department or FTC (HLC Exhibit: Designation Case Study 2, pages 5-55). Once the Institutional Designation procedure was effective, HLC initiated use of the Governmental Investigation designation and provided DeVry an opportunity to respond, which included the FTC settlement (HLC Exhibit: Designation Case Study 2, pages 56-64). At the same time, HLC became aware of the investigation by the Attorney General of Massachusetts and again initiated use of the Governmental Investigation designation (HLC Exhibit: Designation Case Study 2,
The agency provided DeVry an opportunity to respond and also required interim reports related to its disclosure of placements rates (HLC Exhibit: Designation Case Study 2, pages 65-66). DeVry provided its response and HLC found the Governmental Investigation designation was warranted, which required public notice of the investigation and regular reports to demonstrate ongoing compliance with the agency’s standards (HLC Exhibit: Designation Case Study 2, pages 67-110). DeVry notified HLC of the conclusion of the investigation by the Attorney General of Massachusetts in 2017 and the Governmental Investigation designation was removed, but the agency required continued public notice of the investigations (HLC Exhibit: Designation Case Study 2, pages 111-120). Shortly after the settlement, DeVry submitted a change of ownership application and HLC embedded the review of the underlying issues into the change of ownership review (HLC Exhibit: DeVry University Change of Control). The agency approved the change of ownership in 2018, but placed DeVry on Interim Monitoring and removed it from the Notification Program for Additional Locations due to the concerns raised (HLC Exhibit: DeVry University Change of Control, pages 43-45). Based on the large number of claims to the Department under the borrower’s defense provision in 2022, HLC required DeVry to submit a Federal Compliance Filing in preparation for its mid-point comprehensive review in 2024-2025 (HLC Exhibit: Sample Federal Compliance Filing Letter). The agency noted that the claims are related to misleading information published by DeVry from 2008-2015, that HLC had already investigated, and that HLC had recently reviewed DeVry’s current recruiting and admissions practices.

For American Public University System (APUS), HLC became aware of the Civil Investigative Demand issued by the Attorney General of Massachusetts via a filing with the SEC in 2018 and initiated its use of the Governmental Investigation designation (HLC Exhibit: Designation Case Study, pages 1-5). APUS provided a response and HLC found the Governmental Investigation designation was warranted, which required public notice of the investigation and regular reports to demonstrate ongoing compliance with the agency’s standards (HLC Exhibit: Designation Case Study, pages 6-12). APUS notified HLC of the conclusion of the investigation by the Attorney General of Massachusetts in 2018 and the Governmental Investigation designation was removed, but the agency required continued public notice of the investigations (HLC Exhibit: Designation Case Study, pages 13-18). The agency noted that the site team for the comprehensive accreditation review in 2020-2021 had access to these documents as part of the APUS file.

For Walden University (Walden), HLC became aware of the class action lawsuit based on the third-party comment included in the draft staff analysis, as none of the students who are a party to the lawsuit filed a complaint with the agency. Congruent with the receipt of the draft staff analysis, HLC staff requested additional information from Walden based on news articles, and a complaint was received from a student with similar concerns to those included in the lawsuit. The agency processed the complaint and provided Walden an opportunity to respond (HLC Exhibit: Walden University Materials, pages 1-71). HLC staff recommended that Walden needed to provide an interim report on the potential areas of concern noted prior to its comprehensive accreditation review scheduled for spring of 2023 (HLC Exhibit: Walden University Materials, pages 72-74). The agency stated that the review was ongoing, so no conclusion could be provided.
The information and documentation provided demonstrate that HLC applied its monitoring approaches to the institutions noted in the draft staff analysis from third-party comments. Once informed of the investigations/lawsuits, the agency provided information and documentation that it followed its policies and procedures and reviewed each institution for compliance with HLC’s standards.

HLC emphasized that it does not have the authority to determine compliance with State or federal laws, such as the 90/10 rule, and does not have access to the documentation within any lawsuit. In addition, the agency noted that the lack of communication and/or documentation from investigating entities, such as the FTC or Attorneys General, often hinders the review of HLC and its ability to determine compliance with its own standards and policies. HLC demonstrated that it reached out to the Attorney General of California regarding an investigation, but that the information request was denied (HLC Exhibits: University of Phoenix Special Monitoring, pages 499-500; and University of Phoenix Change of Control and Monitoring, page 107). The agency also demonstrated that it provided information and documentation when requested by a federal agency (HLC Exhibit: University of Phoenix Special Monitoring, pages 459-460). HLC noted that when it determines that an institution’s prior conduct related to an investigation/lawsuit does not reflect the institution’s current demonstrated compliance with HLC requirements, such an institution is generally limited to the Standard Pathway, which provides for an increased and more frequent level of review by HLC.

The agency has also provided information and documentation on steps it has taken to monitor and address the types of issues identified in the third-party comments. Since 2015, HLC has added policies and procedures to increase its monitoring approaches, such as Institutional Designations special monitoring, the ability to impose pathway and/or substantive change limitations; and its consumer protection policy related to recruiting and marketing (HLC Exhibit: HLC Policy Book, June 2022, CRRT.B.10.010, CRRT.B.10.020, FDCR.A.10.070, FDCR.A.10.080, and CRRT.C.10.010). The agency provided documentation of an example of embedding a review of consumer protection concerns within regular evaluations (HLC Exhibit: Sample Areas of Focus Letters). HLC also stated that any monitoring activity and documentation is included in the institution’s file for review by site visit teams.

HLC also utilizes information it receives via complaints to review ongoing compliance with its standards (HLC Exhibit: HLC Complaints Procedure). The agency stated that it analyzes the complaints received annually and provided documentation of its annual report (HLC Exhibit: 2021 HLC Complaints Report). HLC also provided an example of a complaint that led to the review of an institution and action taken by the agency (HLC Exhibit: Complaint Case Study). The agency also has referred complaints to State or federal agencies and provided an example of such a referral (HLC Exhibit: Sample Complaint with Referral).
The agency stated that it is committed to continuous improvement and continues to strengthen its monitoring policies and procedures. Since the draft staff analysis, HLC now requires an institution to demonstrate ongoing compliance with the agency’s recruitment and admissions policy within the Federal Compliance Filing (HLC Exhibit: HLC Policy Book, June 2022, CRRT.C.10.010; and Sample Federal Compliance Filing). For greater transparency, the agency also now includes the institutional requirements to comply with information requests, notify HLC of any negative condition/situation that could affect its accreditation status, and provide any accreditation action explanation (Public Disclosure Notice) to constituencies within its Obligations of Membership (HLC Exhibit: HLC Policy Book, June 2022, INST.B.30.020, #4, #5 and #13).

Based on the information and documentation provided, HLC has demonstrated consistent and effective implementation of its monitoring and evaluation approaches to identify compliance issues.

List of Document(s) Uploaded by Analyst - Response

| Exhibit Title                                                                 | File Name                                                                                   |
|                                                                             | ED Exhibit 13 - 2853 20180105 Official Correspondence - Letter_Redacted.pdf                  |
| ED Exhibit 14 - 2853 20180207 Official Correspondence - Letter_Redacted      | ED Exhibit 14 - 2853 20180207 Official Correspondence - Letter_Redacted.pdf                  |
| ED Exhibit 15 - 2853 20180814 Official Correspondence - Letter_Redacted      | ED Exhibit 15 - 2853 20180814 Official Correspondence - Letter_Redacted.pdf                  |
| ED Exhibit 52 - HLC Supplemental Response to Department - December 13 2022   | ED Exhibit 52 - HLC Supplemental Response to Department - December 13 2022.pdf             |

Criteria: 602.19(c)
Description of Criteria
(c) Each agency must monitor overall growth of the institutions or programs it accredits and, at least annually, collect head-count enrollment data from those institutions or programs.

Narrative:
The Commission monitors overall institutional growth and enrollment through its annual Institutional Update process. (See EXHIBIT A.1: HLC Policy Book, INST.F.10.010, p. 144) The Commission collects and monitors other data through its non-financial monitoring process that relate to growth, including increase in faculty, increase in degrees awarded, etc. The Commission also collects and monitors headcount enrollment information annually in various enrollment categories such as undergraduate, graduate, etc. on the Institutional Update. (See EXHIBIT B.16: 2020 Institutional Update Guide) If an institution has an increase or decrease in enrollment of 25% or more year over year and triggers any other category in the non-financial indicators related to growth, such as an increase in degrees awarded or number of full-time faculty, regardless of delivery modality, the Commission considers that particular institution to need further inquiry following its non-financial indicators protocol, as outlined in the narrative related to §602.19(b). That inquiry process will gather information to help the Commission determine whether the institution continues to remain in compliance with the Criteria or whether institutional growth has compromised the institution's resources or services in such a way that its compliance with the Criteria is at risk.

Document(s) for this Section

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<th>Exhibit Title</th>
<th>File Name</th>
<th>Analyst Comments</th>
<th>Agency's Exhibit Comments</th>
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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency monitors overall growth of its institutions via the annual report (institutional update) (Exhibit A.1, INST.F.10.010). The agency provided its annual report to demonstrate that it collects headcount enrollment data annually (Exhibit B.16). HLC described its process for the review of non-financial data, such as an institution flagged for review based on thresholds related to rapid changes in enrollment, in Section 602.19(b).

Within this section of the petition (Exhibits E.8 and E.9) and during the virtual file review, the agency provided examples of completed annual reports and letters to institutions based on the review of the annual reports as well as documentation of the review process by the agency to demonstrate that the
agency reviews the data and monitors overall growth (ED Exhibit 11 - Revised NFI - Enrollment Increases 2018-2021).

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.19(d)
Description of Criteria

(d) Institutional accrediting agencies must monitor the growth of programs at institutions experiencing significant enrollment growth, as reasonably defined by the agency.

Narrative:
The Commission’s Non-Financial Indicators Process identifies and reviews significant changes in enrollment. “Significant growth” in enrollment is identified in the Non-Financial Indicators as 25% or more increase in enrollment year over year together with a change in one other Indicator at both the program and institutional level and regardless of delivery modality. (See EXHIBIT A.1: HLC Policy Book, INST.F.10.010, p. 144 and EXHIBIT B.17: Financial and Non-Financial Indicators Process) The Commission’s procedures as outlined under §602.19(b) above require that an institution flagged under the Non-Financial Indicators process on this issue provide a report regarding the enrollment increase and the related factor that triggered the non-financial review and address the growth of programs at the institution. A Non-Financial Panel then considers the enrollment growth and the institution’s explanation related to the growth of programs. The panel may request additional information or recommend that the institution be formally monitored regarding its program growth through a focused evaluation or one or more interim reports. This recommendation would be acted on formally by the IAC, and the institution would have an opportunity to provide a formal response before IAC takes action on the recommended monitoring. The Commission also has the authority to move up the next routine comprehensive evaluation based on this information. (See EXHIBIT A.1: HLC Policy Book, INST.F.10.010, p. 144) This process allows the Commission to look carefully at growth in enrollment and to consider the
effect, if any, on the quality of an institution’s programs and capacity to meet the Criteria.

Document(s) for this Section

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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency states in its narrative that it defines significant enrollment growth as over 25% or more increase in enrollment together with a change in one other non-financial indicator. HLC provided its routine monitoring and data collection policy (Exhibits A.1, INST.F.10.010) and non-financial indicator process (Exhibit B.17). However, neither the policy nor the process clearly defines significant enrollment growth as over 25%. During the virtual file review, HLC provided its revised glossary to include a definition of significant enrollment growth as “a three-year increase of 80% or more in enrollment for small institutions or 40% or more for large institutions” (ED Exhibit 3 - Glossary).

The agency provided its annual report (institutional update) as documentation to demonstrate that each institution is required to submit enrollment data annually and described its monitoring process and procedures (Exhibit B.16). During the virtual file review, HLC provided documentation that it monitors the growth of programs at institutions experiencing significant enrollment growth (ED Exhibit 11 - Revised NFI - Enrollment Increases 2018-2021).

List of Document(s) Uploaded by Analyst - Narrative

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<td>ED Exhibit 3 - Glossary</td>
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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.
Criteria: 602.20(a)
Description of Criteria

(a) If the agency's review of an institution or program under any standard indicates that the institution or program is not in compliance with that standard, the agency must—

(1) Follow its written policy for notifying the institution or program of the finding of noncompliance;
(2) Provide the institution or program with a written timeline for coming into compliance that is reasonable, as determined by the agency's decision-making body, based on the nature of the finding, the stated mission, and educational objectives of the institution or program. The timeline may include intermediate checkpoints on the way to full compliance and must not exceed the lesser of four years or 150 percent of the—

(i) Length of the program in the case of a programmatic accrediting agency; or
(ii) Length of the longest program at the institution in the case of an institutional accrediting agency;
(3) Follow its written policies and procedures for granting a good cause extension that may exceed the standard timeframe described in paragraph (a)(2) of this section when such an extension is determined by the agency to be warranted; and
(4) Have a written policy to evaluate and approve or disapprove monitoring or compliance reports it requires, provide ongoing monitoring, if warranted, and evaluate an institution's or program's progress in resolving the finding of noncompliance.

Narrative:
As noted previously, HLC policy requires that an accredited institution remain in compliance at all times with the Criteria for Accreditation, Assumed Practices, Eligibility Requirements, and Federal Compliance Requirements. As discussed in §602.19, HLC has a variety of monitoring frameworks to ensure continued compliance. If evidence of noncompliance is found during any of these processes, policy requires a recommendation of Probation, Show-Cause or withdrawal of accreditation. HLC policy does not require a progressive sanction processes, and HLC may act to withdraw accreditation without an institution having been placed on a prior sanction if it does not meet the Criteria for Accreditation. (See EXHIBIT A.1: HLC Policy Book, INST.E.60.010, p. 133) At the discretion of the Board of Trustees, based on the evidence presented, HLC may elect to place an institution on Probation for no more than two years to allow for the institution to remedy issues of non-compliance. Policy allows for the Probation period to
range from one to two years, depending on the specific areas of noncompliance and how quickly they can be remedied; however, it must be noted that all programs at institutions accredited by HLC are at least two years in length, thus meaning that all that HLC’s maximum timeframe for noncompliance meets the requirement of §602.20(a)(2). Under policy, the two-year timeframe begins on the date the institutions was placed on Probation by the Board of Trustees and ends with a decision of the Board of Trustees at a regularly scheduled meeting that occurs at the end of the Probation period. (ibid, INST.E.20.010, p. 121) At that time, the Board may remove probation if the institution has demonstrated compliance with HLC standards, may withdraw accreditation if compliance is not demonstrated, or may take other action allowed for by HLC policy. (ibid)

Under policy, the Board of Trustees may extend the period of probation for an additional period that is to not exceed the three-year maximum for non-compliance if the institution remains out of compliance with the Criteria for Accreditation at the end of the Probation period, but only if the institution meets the following conditions:

- The institution provides clear evidence of substantial progress towards meeting the Criteria for Accreditation and Core Components, including evidence of substantial implementation of necessary improvements, in the majority of areas in which the institution has been previously found to be non-compliant;
- The institution has verifiable plans to cure the remaining areas of non-compliance or any other areas of non-compliance identified in the action granting the extension by the end of the extension period;
- The institution has sufficient capacity and resources in place to cure the identified areas of non-compliance during the extension; and
- The institution is likely to be able to demonstrate compliance with all the Criteria for Accreditation and the Core Components by the end of the extension. (ibid, p. 125)

In considering extending the period of Probation, the Board of Trustees also considers the institution’s history with HLC, capacity to return to compliance, and the impact on students. At the end of the extension period, the institution must hold a focused visit to determine if the institution has returned to compliance with the Criteria for Accreditation. Under policy, if the institution has not ameliorated its noncompliance, the Board of Trustees must move to withdraw accreditation. In general, no institution shall remain out of compliance for more than three years (ibid, but see EXHIBIT B.3: Explanation of Temporary Emergency COVID-19 Policy)

HLC maintains defined policies and procedures for determining the appropriate recommendation when issues of noncompliance are found. A recommendation for Probation or withdrawal of accreditation typically arises from an evaluation team that has conducted an on-site evaluation and found non-compliance with one or more Core Components. In 2020, the HLC Board adopted revisions to its policies to also allow an evaluation team to recommend the issuance of a Show-Cause order. Hence, for a team recommendation of Probation, the issuance of a Show-Cause order, or withdrawal following an evaluation, the case is automatically referred to an Institutional Actions Council Hearing Committee. The Institutional Actions Council Hearing Committee conducts a de novo review of the case and will produce a final report and recommendation for the Board of Trustees. However, a recommendation for Probation, Show-Cause, or withdrawal may also arise from the HLC President following an Advisory Visit that finds non-compliance; such recommendation goes directly to the Board of Trustees. Finally, a recommendation for Probation, Show-Cause, or withdrawal may also arise from an IAC Hearing Committee that has been referred a case because it involves a recommendation for sanction or withdrawal. The IAC Hearing Committee might make a different recommendation than was made by the
original evaluation team based on its independent findings according to the evidence it has had the opportunity to review. Thus, there are different mechanisms through which a recommendation for Probation, the issuance of a Show-Cause order, or withdrawal may arise. The Board acts on all recommendations for Probation, Show-Cause and withdrawal only after the institution has an opportunity to respond to the recommendation and the evidence supporting it.

In the case of any recommendation for withdrawal of status, the institution has the right to request a Board Committee Hearing prior to the Board of Trustees acting on the recommendation to withdraw. (ibid, INST.E.70.010, p. 138) The Board Committee Hearing provides an additional layer of due process and allows a committee composed of five members of the Board of Trustees to meet directly with representatives of the institutions, as a means to hear statements from the institutional delegation and to ask questions prior to full Board meeting and action scheduled at a later date. The Board Hearing does not culminate in a recommendation to the full Board but produces instead a hearing transcript, which is provided to the institution for its review and to the HLC Board of Trustees. The institution also has an opportunity to provide additional materials for consideration prior to the Board making a decision. The Board takes action on the withdrawal recommendation based on the evidence available for its consideration. This process serves a dual purpose: (1) it provides a clear mechanism to address institutional noncompliance with HLC standards and (2) it provides institutions with additional due process before action is taken. The Board may also issue a Show-Cause Order on its own initiative without a prior recommendation. That said, when non-compliance with HLC requirements is found, the Board is under no obligation to take an incremental approach with regard to sanctions (ibid).

HLC policy also enables an institution to be placed on a sanction before issues of noncompliance arise. Under policy, HLC maintains the sanction of Notice, which indicates that an institution, while currently in compliance with the Criteria for Accreditation, it is a risk of noncompliance. As with Probation, Notice may be either one or two years in duration, depending on the reasons for the action. For the sanction of Notice, an institution is required to submit a Notice Report and, in most cases, will host either a focused visit or an otherwise-scheduled comprehensive evaluation, with an embedded review of the Notice sanction. Notice can be recommended by a peer review team or an Institutional Actions Council. If Notice is recommended by either body, the institution will automatically be referred to an IAC Hearing Committee for de novo review. Policy also allows for the HLC President to bring a recommendation for Notice directly to the Board of Trustees. In such situations, the institution must have an opportunity to respond to the recommendation, which is also provided to the Board of Trustees. The Board of Trustees acts on all recommendations related to Notice. (See EXHIBIT A.1: HLC Policy Book, INST.E.10.010, p. 117)

The Board of Trustees also has the authority to issue a Show-Cause order to an institution if the Board of Trustees determines that an institution may be out of compliance with the Criteria for Accreditation and should be considered for withdrawal. Under policy, a Show-Cause order is limited to one year, during which an institution must provide evidence as to why accreditation should not be withdrawn. At the end of the Show-Cause period, the institution will host a Show-Cause Visit. The visiting team will prepare a report and recommendation that is then provided to a Board Committee Hearing. Under policy, this hearing also produces only a transcript that is then reviewed by the full Board. The Board of Trustees then reviews the full record of the evaluation including the report and transcript and makes a decision regarding the institution’s status. The Board may act to withdraw accreditation or place the institution on another sanction or schedule the institution for monitoring depending on whether the institution has demonstrated that it meets the Criteria for Accreditation and related standards. (ibid, INST.E.30.010, p. 127)
HLC maintains clear standards and procedures for addressing noncompliance with policy. An institution, if determined to be out of compliance with HLC standards, may either be placed on Probation, issued a Show-Cause Order or removed from status with HLC. If placed on Probation or issued a Show-Cause Order, an institution will have an explicit timeframe for demonstrating return to compliance. (ibid, INST.E.20.010, p. 121 and INST.E.30.010, p. 127)

Due to text limitations, please see EXHIBIT H.9: Addendum to 602.20(a) for the remainder of HLC's response to this section.

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

If an institution is found noncompliant with any standard at any time, the agency has a written policy that provides a time period not to exceed two years for the institution to return to compliance (Exhibit A.1, INST.E.20.010 and INST.E.30.010). The policy also describes the evaluation of an institution's progress in resolving any finding of noncompliance. HLC describes in multiple policies the written notification of any finding of noncompliance to an institution (Exhibit A.1, INST.E.20.010, INST.E.30.010, INST.E.60.010, and INST.E.70.010).

The agency provided examples of action letters to institutions that noted deficiencies and a limited time
period to return to compliance that complies with the timeframes in this section (Exhibits E.5, part 1 and part 2; E.6, part 1, part 2, and part 3; and E.16). HLC also provided a list of all negative and adverse actions taken during the current recognition period (Exhibit C.25).

The agency also stated that the monitoring of any institution that is not in compliance with the agency's standards would occur within the process described in Section 602.19(b), to ensure that the agency meets the requirements of this section.

The agency has a written policy that makes clear the circumstances under which a good cause extension would be granted (Exhibit A.1, INST.E.20.010 and INST.E.60.010). The policy limits a good cause extension to one year. HLC provided an example of an institution granted a good cause extension (Exhibit E.1). HLC provided the temporary extension for good cause policy due to the COVID pandemic and based on the flexibilities provided by the Department (Exhibit B.3).

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.20(b-d)
Description of Criteria

(b) Notwithstanding paragraph (a) of this section, the agency must have a policy for taking an immediate adverse action, and take such action, when the agency has determined that such action is warranted.
(c) If the institution or program does not bring itself into compliance within the period specified in paragraph (a) of this section, the agency must take adverse action against the institution or program, but may maintain the institution’s or program’s accreditation or preaccreditation until the institution or program has had reasonable time to complete the activities in its teach-out plan or to fulfill the obligations of any teach-out agreement to assist students in transferring or completing their programs.
(d) An agency that accredits institutions may limit the adverse or other action to particular programs that are offered by the institution or to particular additional locations of an institution, without necessarily taking action against the entire institution and all of its programs, provided the noncompliance was limited to that particular program or location.

Narrative:
HLC policy does not require progressive sanctions. The HLC Board may, at its discretion and depending on the evidence available, move to withdraw accreditation following identification of noncompliance. (See EXHIBIT A.1: HLC Policy, INST.E.60.010, p. 133) For institutions seeking initial accreditation following candidacy, HLC policy requires that the Board of Trustees deny initial accreditation to an institution that does not meet the Criteria for Accreditation or other HLC requirements. In such situations, the institution is entitled to the same due process elements as with adverse actions. Denial of initial accreditation begins with either a team or Institutional Actions Council finding that the institution is out of compliance with one or more of the Criteria for Accreditation or other HLC requirements. In such instances, as with all considerations of initial accreditation, the institution is automatically referred to an IAC Hearing Committee and then a Board Committee Hearing. (ibid, INST.B.20.030, p. 72)

Similar processes exist for institutions seeking candidacy or continued candidacy following the biennial evaluation. Institutions that do not meet the requirements for candidacy are denied candidacy and those that are no longer in compliance with the requirements or are not making sufficient progress towards meeting the requirements for initial accreditation will have their candidacy withdrawn. The process is the same as that for institutions that have been recommended for denial of initial accreditation. (ibid)

The HLC Board has not taken an adverse action (denial or withdrawal of status) during the recognition period. This assertion, while maintained by HLC, was questioned by the U.S. Department of Education with regard to an action HLC took in November 2017 related to two institutions. There is no relevant case study to be included with this petition.

Under HLC policy, an institution found to be out of compliance with the Criteria for Accreditation must return to compliance within the timeframe stated in the final action of the Board of Trustees, otherwise the Board will move to withdraw the institution’s accreditation. As noted above, policy, however, allows for an extension to the period of Probation to be made in specific circumstances. (See EXHIBIT A.1: HLC Policy Book, INST.E.20.010, p. 121)

At the end of a Show-Cause period, if an institution is found to be in noncompliance with the Criteria for Accreditation, the Board of Trustees may move to withdraw accreditation. Under policy, however, if a Show-Cause Order is issued following a period of Probation and an institution if found to not be in compliance by the end of the Show-Cause period, the Board of Trustees must move to withdraw accreditation. If the institution had not previously been on Probation before the issuance of the show-cause order, the Board of Trustees, at its discretion, may place the institution on Probation if it is found to be in noncompliance, or it may move to withdraw accreditation. (ibid, INST.E.30.010, p. 127)

In finding noncompliance with HLC standards, an institution may be afforded a clearly specified period in which it must return to compliance. If an institution fails to return to compliance within this timeframe, HLC must move to withdraw accreditation. Because HLC has not had an adverse action during its recent recognition period, no adverse action case study can be provided.
Under policy, an adverse action shall not become effective until after the current academic term and the HLC Board of Trustees shall provide a reasonable period for conducting a teach-out in setting the effective date of an adverse action. (See EXHIBIT A.1: HLC Policy Book, INST.E.60.010, p. 133)

As an institutional accreditor, any accreditation action taken with respect to an institution applies to the institution as a whole, inclusive of any component of the institution. (See EXHIBIT A.1: HLC Policy Book, INST.B.10.020, p. 68) Thus, an adverse action taken by the HLC Board necessarily applies to the institution as a whole and cannot be limited to a particular campus, program, or location.

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency has a written policy to take immediate adverse action when the agency has determined such action is warranted (Exhibit A.1, INST.E.60.010). HLC also has a written policy that describes the procedures for taking an adverse action when an institution fails to return to compliance within the time period required (Exhibit A.1, INST.E.20.010, INST.E.30.010, and INST.E.60.010). The agency’s written policy on denial or withdrawal of accreditation also includes the provisions to maintain the institution’s accreditation until the end of the current academic term and after a reasonable amount of time to complete a teach-out plan (Exhibit A.1, INST.E.60.010).

The agency stated that it has not had the opportunity to initiate an adverse action should an institution fail to return to compliance within the provided time period. HLC provided documentation that there were no such instances during the current recognition period (Exhibits C.14 and C.25).

Implementation of Section 602.20(d) is optional and HLC stated that it does not have a policy related to that section.

List of Document(s) Uploaded by Analyst - Narrative

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Response:
HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.20(e)
Description of Criteria

(e) All adverse actions taken under this subpart are subject to the arbitration requirements in 20 U.S.C. 1099b(e).

Note: 20 U.S.C. 1099b(e) Initial Arbitration Rule. – The Secretary may not recognize the accreditation of any institution of higher education unless the institution of higher education agrees to submit any dispute involving the final denial, withdrawal, or termination of accreditation to initial arbitration prior to any other legal action.

Narrative:
HLC has an initial arbitration rule consistent with 20 U.S.C. 1099b(e). Specifically, HLC’s Obligations of Membership, which all member institutions “voluntarily agre[e] to meet,” require that each member institution “agrees to accept binding arbitration regarding actions taken by HLC, including adverse actions, that the institution disputes and is not able to resolve through HLC’s processes.” (See EXHIBIT A.1: HLC Policy Book, INST.B.30.020, p. 89)

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The arbitration requirements in 20 U.S.C. 1099b(e) are applicable only to institutions. HLC, as an institutional accrediting agency, has a written arbitration policy that meets the requirements in 20 U.S.C. 1099b(e) (Exhibit A.1, INST.B.30.020).
List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.20(f-g)
Description of Criteria

(f) An agency is not responsible for enforcing requirements in 34 CFR 668.14, 668.15, 668.16, 668.41, or 668.46, but if, in the course of an agency’s work, it identifies instances or potential instances of noncompliance with any of these requirements, it must notify the Department.

(g) The Secretary may not require an agency to take action against an institution or program that does not participate in any title IV, HEA or other Federal program as a result of a requirement specified in this part.

Narrative:
As outlined in HLC Policy COMM.C.10.030, HLC shall report systemic concerns regarding an institution’s obligations with Title IV program responsibilities and the HEA (as amended) to the Department. This includes if HLC obtains information that presents concerns regarding an institution’s compliance with §668.15, §668.16, §668.41, §668.46. (See EXHIBIT A.1: HLC Policy Book, COMM.C.10.030, p. 194)

Document(s) for this Section

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Analyst Worksheet- Narrative
Analyst Review Status:
Meets the requirements of this section

Analyst Remarks to Narrative:

The agency has a written policy to notify the Department of “evidence received from HLC evaluation teams, staff or other sources of possible ... failure to meet Title IV, HEA program responsibilities” (Exhibit A.1, COMM.C.10.030).

Implementation of Section 602.20(g) is optional. HLC stated in Section 602.16(a)(1) that the agency’s Criteria for Accreditation, Assumed Practices, Eligibility Requirements, and Federal Compliance Requirements are applicable to all institutions regardless of Title IV participation status, and in Section 602.20(a) that institutions must remain in compliance at all times with the Criteria for Accreditation, Assumed Practices, Eligibility Requirements, and Federal Compliance Requirements.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.21(a-b)
Description of Criteria

(a) The agency must maintain a comprehensive systematic program of review that involves all relevant constituencies and that demonstrates that its standards are adequate to evaluate the quality of the education or training provided by the institutions and programs it accredits and relevant to the educational or training needs of students.

(b) The agency determines the specific procedures it follows in evaluating its standards, but the agency must ensure that its program of review--

(1) Is comprehensive;

(2) Occurs at regular, yet reasonable, intervals or on an ongoing basis;
(3) Examines each of the agency's standards and the standards as a whole; and
(4) Involves all of the agency's relevant constituencies in the review and affords them a meaningful opportunity to provide input into the review.

Narrative:
HLC policy requires that the Commission undertake a thorough review of the Criteria for Accreditation as a whole every five years. (See EXHIBIT A.1: HLC Policy Book, PPAR.A.10.000, p. 207) The policy lays out two specific expectations. First, as a part of its regular operations, HLC shall maintain processes that allow institutions, peer reviewers and other constituents to provide comment on the effectiveness of the Commission’s standards, procedures for accreditation, and other policies adopted by the Board. HLC reviews comments on policies received to determine whether standards or procedures need to be modified or changed.

Second, the policy requires that at least every five years, HLC will examine the relevance and appropriateness of the Criteria for Accreditation in identifying and evaluating educational quality, including any comment provided by the regular response process as well as by any special studies or surveys the Board may conduct. The Board is also charged with reviewing any proposed changes in the standards that may have been made by the staff, individual Board members, or external constituents as a part of its review. This process provides for on-going review as well as periodic major review of standards and policies.

The most recent review of the Criteria for Accreditation began in late 2016 and ended with the adoption of the revised Criteria for Accreditation in February 2019, which became effective in September 2020 based on the period of time the Board determined would be needed for the membership to prepare to meet the new requirements. (See EXHIBIT A.2: Criteria for Accreditation Blackline) Further explanation of this process is provided under §602.21(b).

Following implementation of the revised Criteria, HLC will continue with its regular processes of review while monitoring closely the successful implementation of the revised Criteria for Accreditation.

As noted under §602.21(a), HLC maintains a strong and comprehensive system for reviewing its standards. Review of the Criteria for Accreditation is a holistic, collaborative, multi-year process that involves significant interactions with member institutions, other stakeholders, and of course, the HLC Board. As set forth by HLC’s publications related to its most recent revisions, the process includes significant and meaningful collaboration with HLC stakeholders. (See EXHIBIT A.1: HLC Policy Book, PPAR.A.10.000, p. 207) As will be further described under §602.21(c), HLC also provides a reasonable period in which interested parties can comment on proposed policy changes prior to their adoption. For more details pertaining to HLC’s most recent Criteria Revision and Criteria Revision process, see EXHIBIT G.6: Overview of HLC Criteria Revision Process and EXHIBIT G.7: Criteria Revision Materials.

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The agency has a written policy to require the systematic program of review of standards and assessment of individual standards to occur at least every 5 years (Exhibit A.1, PPAR.A.10.000).

HLC described for its comprehensive standards review process that started in late 2016 to review the standards that were adopted in February 2019 and effective in September 2020 (Exhibits A.2 and G.6). The agency provided documentation of the timeline and process to review the standards as a whole and individually (constituent surveys, annual conference sessions, board review and actions, public comment, etc.) (Exhibit G.7).

In addition to the comprehensive review, the HLC Board of Trustees is also responsible for the evaluation of the agency's standards, policies and practices on an ongoing basis via feedback solicited and received from staff, institutions, and site visitors and to offer interpretations of the standards, policies and practices, as needed. During the virtual file review, the agency provided information and example documentation of how those revised standards, clarifications, or interpretations are disseminated to its relevant constituencies in between the comprehensive standards review (ED Exhibit 10 - November Leaflet). Department staff observed the review of standards process at the February 2022 board meeting.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department's review of HLC's adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.
Criteria: 602.21(c-d)
Description of Criteria

(c) If the agency determines, at any point during its systematic program of review, that it needs to make changes to its standards, the agency must initiate action within 12 months to make the changes and must complete that action within a reasonable period of time.

(d) Before finalizing any changes to its standards, the agency must—
(1) Provide notice to all of the agency’s relevant constituencies, and other parties who have made their interest known to the agency, of the changes the agency proposes to make;
(2) Give the constituencies and other interested parties adequate opportunity to comment on the proposed changes; and
(3) Take into account and be responsive to any comments on the proposed changes submitted timely by the relevant constituencies and other interested parties.

Narrative:
Under HLC policy, the Commission maintains processes for allowing stakeholders (institutions, other agencies, members of the public, etc.) to submit comments on HLC policy at any time. As published on HLC’s website, these comments can be provided to HLC via email to a dedicated inbox for such comments (policycomments@hlcommission.org).

Relatedly, HLC maintains a standing internal Accreditation Policy Committee that is tasked with reviewing all comments received and maintaining a system for ensuring HLC policies are effective and up-to-date. The policy committee is chaired by the Vice President of Legal and Regulatory Affairs and consists of a cross-section of HLC staff who are experienced with policy development and implementation. In accordance with HLC procedure, the policy committee is responsible for overseeing the policy adoption and revision process. (See EXHIBIT B.18: Policy Revision and Adoption Process) HLC’s Accreditation Policy Committee ensures that any identified policy change or amendment is undertaken within a reasonable timeframe.

Whenever HLC determines, through its processes, that a policy change is warranted, staff promptly proceed with the policy review process. As noted in the procedure document included with this petition, except in cases of purely technical (non-substantive) changes, adoption of a new or revised policy follows a two-step process. (See EXHIBIT B.18: Policy Revision and Adoption Process) Initially, the policy will be presented to the Board on First Reading. Upon Board approval of a policy on First Reading, the proposed change will be presented to the membership and other stakeholders (state agencies, the public, other accreditors, etc.) for review and comment. (See EXHIBIT A.1: HLC Policy Book, PPAR.A.10.000, p. 207 and EXHIBIT G.7: Criteria Revision Materials)
As stated in the policy, the period for comment on a proposed policy change is not less than 60 days. (EXHIBIT A.1: HLC Policy Book, PPAR.A.10.000, p. 207) The 60-day period affords a sufficiently reasonable opportunity for interested parties to review the proposed policy change and provide a substantive comment. Following the end of the comment period, all comments received are reviewed by the Accreditation Policy Committee, which then makes any changes deemed necessary based on the comments received. (See EXHIBIT B.18: Policy Revision and Adoption Process) The policy, in addition to copies of all comments received and reviewed, are then provided to the HLC Board. The HLC Board may, at its discretion, adopt the policy as provided or make further revisions based on its review of the comments received and other information available. (ibid) If the Board adopts the policy on Second Reading, it will become effective immediately unless the Board sets a future effective date. (See EXHIBIT A.1: HLC Policy Book, PPAR.A.10.000, p. 207) For a detailed explanation of HLC’s processes for notifying stakeholders of the Criteria Revision and affording a period to comment, see EXHIBIT G.6: Overview of HLC Criteria Revision Process and EXHIBIT G.7: Criteria Revision Materials.

Document(s) for this Section

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s policy requires that it provide its communities of interest an opportunity to comment on revisions to the standards and that the HLC board will consider any comments received prior to adoption (Exhibit A.1, PPAR.A.10.000). The written policy also states that if the agency determines that it needs to make changes to its standards, the agency must initiate action within 12 months to make the changes. HLC also provided its policy revision and adoption process which ensures that any identified policy change is started within a reasonable timeframe (Exhibit B.18).

The agency provided the standards revision timeline starting in 2016 and documentation to support the timeline. HLC provided documentation that it solicited feedback via its website, email surveys, and relevant publications for the two drafts of the agency's standards to demonstrate that the agency sought and reviewed input from all of its relevant constituencies and by other interested parties.
(Exhibits G.6 and G.7). The agency also provided documentation, to include the review timeline and adoption by the board, to demonstrate that HLC initiated action within 12 months and completed the action within a reasonable period of time. The agency provided minutes from the Board of Trustees meeting in February 2019 to demonstrate the review and adoption of the revised standards (Exhibit C.9).

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

 Criteria: 602.22(a)(1)(i)
Description of Criteria

(a)

(1) If the agency accredits institutions, it must maintain adequate 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—

(i) The agency requires the institution to obtain the agency’s approval of the substantive change before the agency includes the change in the scope of accreditation or preaccreditation it previously granted to the institution; and

Narrative:
Overview

HLC requires that, prior to implementation of any proposed substantive change, accredited institutions seek HLC approval of the change. The specific substantive changes requiring prior approval by HLC are those changes identified in federal regulations as well as those exclusively required by HLC policy. HLC has identified additional types of substantive change beyond those identified in federal regulations as
warranting prior HLC review and approval, as the Commission considers those types of changes as either high-risk or high-impact.

The purpose of any substantive change review is to ensure that any modification to the institution’s offerings, whether a new campus, competency-based educational program, or other change, is of appropriate quality such as to justify including it in the institution’s accreditation and that the institution will continue to meet the Criteria for Accreditation. HLC reviews all substantive changes through an appropriate evaluative process, culminating in final review and approval by the appropriate decision-making body. Following approval, the substantive change is then included within the institution’s HLC accreditation. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.040, p. 155)

HLC’s substantive change processes ensure that institutions seek timely approval from HLC of certain proposed substantive changes, as specifically identified in policy, and that HLC reviews such changes prior to their implementation at the institution to ensure that the change is of appropriate quality. For other changes that do not require prior approval, such as the cancellation of certain academic programs, but that are a part of the institution’s operations for which HLC must be knowledgeable as the accreditor, policy requires that the institution notify HLC of the change. The specific features of the substantive change policy and program are as follows:

Substantive changes requiring Commission approval. Those specific substantive changes requiring pre-approval by HLC are detailed in HLC’s policy on Substantive Change. (ibid) This list of changes that require approval includes those specific items required by the federal regulations related to recognition of accrediting agencies as well other items added by HLC. The following section of this narrative identifies the specific changes requiring approval by federal regulations and also by HLC policy.

Process for submission of substantive change applications. HLC publishes its various substantive change applications as well as screening forms on its website. Screening forms allow institutions to obtain feedback related to whether prior approval or mere notification is required. For example, if an institution is not certain that a program will require prior approval, it is encouraged to complete a Program Inquiry Form that allows for enhanced internal screening by HLC Staff Liaisons. An institution that intends to submit a substantive change request must complete the appropriate substantive change application. There are specific substantive change applications for the following additions or changes being proposed by an institution: certain educational programs that constitute a significant departure from its current offerings (including a separate application for certificate programs), competency-based education and direct assessment programs, branch campuses and additional locations, distance education, contractual relationships, clock hours to credit hours and other changes to the way in which an institution measures student progress, and change in mission or in student body. Note that HLC treats any permanent location under §6022.22(a)(1)(H) as any other additional location requiring review and approval by HLC. An institution electronically submits its application for substantive change in accordance with the instructions on the form. (See EXHIBIT D.16: Substantive Change Application Forms)

Process for Commission review of institutional change requests. The policy on substantive change details three types of mechanisms for reviewing applications: a desk review; a change panel; or a change visit. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.050, p. 160 and EXHIBIT B.19: Substantive Change Manual) Institutions may also present a substantive change application prior to an on-site comprehensive evaluation, with the peer review team then being tasked with reviewing the substantive change application in addition to the routine areas of the comprehensive evaluation; this practice is known as an “embedded change” because the change review is embedded into the comprehensive
evaluation. All substantive change reviews noted above culminate in final review and approval of the change by the Institutional Actions Council. (ibid)

After receiving an application, the HLC Change Team, a team of HLC staff members charged with responsibility for processing substantive changes, will assign the application to the appropriate review mechanism, taking into consideration the institution’s previous experience with the type of change sought and the complexity of the specific change. Most change requests are reviewed by a change panel composed of three peer reviewers who are drawn from a pool of peer reviewers with expertise in and a focus on a specific type of change. For example, some change panels will focus on new programs, while others will focus on distance delivery or new campuses and locations. (See EXHIBIT B.19: Substantive Change Manual) HLC’s inventory of substantive change requests demonstrates the various review mechanisms. (See EXHIBIT C.11: List of Substantive Change Requests)

A desk review, rather than a change panel, is considered appropriate for very simple, straightforward changes presented by institutions with experience in that type of change. For example, a desk review may be appropriate for an institution experienced with additional locations that plans to add one or two more such locations for the upcoming academic year. Alternatively, a change visit is appropriate for an institution that wants to embark on a significantly new initiative such as its first graduate degree. Regardless of the specific review mechanism, the review will determine whether the institution has the capacity to undertake a substantive change of appropriate quality and whether it will remain in compliance with the Criteria in undertaking the change. Each review mechanism will provide a written analysis of the change request and the recommendation reached. Approval protocols are carefully detailed in the written instructions and forms provided to peer reviewers who will review the change. The forms explain the depth of the analysis required of the peer reviewer. (See EXHIBIT D.17: Substantive Change Review Materials) Each substantive change review will typically culminate in a final review of the recommendation and approval by the Institutional Actions Council. (See EXHIBIT B.19: Substantive Change Manual)

Substantive changes involving change of ownership or other types of Change of Control, Structure, or Organization have the capacity to dramatically change the institution, its mission and its educational programs and thus are different than simple changes to add a program or new location. Therefore, HLC maintains a separate process related to applications for Change of Control, Structure or Organization. Such applications are reviewed through an in-depth process that examines the applications against five Key Factors set forth in policy, which involve: the continuity of the institution’s mission, programming, faculty and related topics the transaction; financial support for the transaction; experience in higher education of senior personnel and the governing board after the transaction; and capacity of the institution after the transaction to continue to meet HLC standards, including the Criteria for Accreditation. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.070, p. 166)

An institution undergoing a proposed Change of Control, Structure or Organization files an application and then undergoes a due diligence review, which may include a Change of Control Visit by a team of peer reviewers who have undergone HLC’s Specialized Corps Training. The process culminates in review and a decision by the HLC Board of Trustees. (See EXHIBIT B.20: Change of Control, Structure, or Organization Procedure, EXHIBIT E.10: Change of Control Case Study, and EXHIBIT F.10: EXHIBIT F.10 Specialized Training - Specialized Corps)

It should be noted that HLC staff do not possess the authority to approve or deny a substantive change application under this section except for, as of HLC’s February 2021 Board meeting, approving the
addition of a permanent location at a site at which the institution is conducting a teach-out for students of another institution that has ceased operating before all students have completed their program of study. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.050, p. 160 and INST.F.20.070, p. 166)

As noted in the application documents, most substantive change applications are reviewed within 90 days of submission of a materially complete application. (See EXHIBIT B.19: Substantive Change Manual, EXHIBIT D.16: Substantive Change Application Forms, and EXHIBIT C.11: List of Substantive Change Requests) With regard to applications for Change of Control, Structure or Organization, depending on the complexity of the proposed transaction, review may take up to 180 days.

Due to text limitations, please see EXHIBIT H.10: Addendum to 602.22(a)(1)(i) for the remainder of HLC's response to this section.

Document(s) for this Section

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**Analyst Worksheet - Narrative**

**Analyst Review Status:**

Does not meet the requirements of this section

**Staff Determination:**

The agency must demonstrate that it does not allow institutions to make a substantive change that would adversely affect the capacity of the institution to continue to meet the agency’s standards.

**Analyst Remarks to Narrative:**

The agency provided its comprehensive policies and internal procedures regarding substantive changes, which require an institution to obtain the agency’s prior approval of a substantive change (Exhibits A.1, INST.F.20.040; and B.19). However, the policies do not appear to state that approval will not be granted to any substantive change that adversely affects the capacity of the institution to continue to meet the agency’s standards, as required by this section.

The agency provided documentation of a variety of substantive change applications and approvals,
along with a list of all substantive changes requested from May 2018 to March 2021 (Exhibits C.11, E.10 and E.11). HLC also provided information and documentation on the training provided to site visitors and IAC members on substantive change, and the forms and materials provided to ensure the consistent review of substantive changes (Exhibits D.16, D.17, F.4, F.10, F.11, and F.22). The agency provided minutes from decision-making body meetings for June 2018 to February 2021 to demonstrate the review of substantive changes (Exhibits C.9 and C.10). During the virtual file review, Department staff reviewed additional documentation of the review of substantive changes.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

As explained in HLC’s initial petition for continued recognition and confirmed by the Department in the Draft Analysis, HLC maintains robust policies and procedures for reviewing and approving applications for substantive change, as well as policies and procedures for ensuring consistency in decision-making. These policies and procedures are all premised on the foundation that HLC would not grant a substantive change application that adversely affects the institution’s capacity to meet HLC’s requirements. For example, HLC’s substantive change reviews analyze the “quality and integrity of the proposed change, including potential positive or negative effects,” (SEE EXHIBIT E.11.e: Distance or Correspondence Education, p. 481) and require a review of ongoing compliance with the entirety of the Criteria for Accreditation in some instances (SEE EXHIBIT E.10: Change of Control, Structure or Organization Case Study, p. 945)

In light of the Department’s Draft Analysis, however, HLC adopted a policy revision in June 2022, which served to codify this foundation explicitly in policy. (SEE EXHIBIT I.4: Adopted Policy on Substantive Change Review Processes) These revisions were effective immediately upon adoption. With the changes, HLC policy now explicitly states that “HLC’s review and approval process is intended as far as possible to ensure that if implemented the proposed substantive change will not adversely affect the institution’s capacity to continue to meet HLC’s requirements.” (SEE EXHIBIT I.1: HLC Policy Book, June 2022, INST.F.20.040, p. 153) As noted and confirmed in the Draft Analysis, HLC’s current substantive change review processes have nevertheless already operationalized this requirement.

Analyst Worksheet - Response
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Response

In response to the draft staff analysis, HLC revised its policies to clearly prohibit an institution from making a substantive change that would adversely affect the capacity of the institution to continue to
meet the agency's standards. The agency provided the revised Substantive Change policy, which codifies existing practice (HLC Exhibit: HLC Policy Book, effective June 2022, INST.F.20.040).

List of Document(s) Uploaded by Analyst - Response

No file uploaded

Criteria: 602.22(a)(1)(ii)(A-F)
Description of Criteria

(ii) The agency's definition of substantive change covers high-impact, high-risk changes, including at least the following:
   (A) Any substantial change in the established mission or objectives of the institution or its programs.
   (B) Any change in the legal status, form of control, or ownership of the institution.
   (C) The addition of programs that represent a significant departure from the existing offerings or educational programs, or method of delivery, from those that were offered or used when the agency last evaluated the institution.
   (D) The addition of graduate programs by an institution that previously offered only undergraduate programs or certificates.
   (E) A change in the way an institution measures student progress, including whether the institution measures progress in clock hours or credit-hours, semesters, trimesters, or quarters, or uses time-based or non-time-based methods.
   (F) A substantial increase in the number of clock hours or credit hours awarded, or an increase in the level of credential awarded, for successful completion of one or more programs.

Narrative:
The following types of change, found in 34 CFR 602.22, are also covered in HLC's Substantive Change policy (See EXHIBIT A.1: HLC Policy Book, INST.F.20.040, p. 155):

1. Change in mission

An institution must seek approval of a change in the actual or apparent mission or educational objectives of the institution. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.040, p. 155) Relatedly, institutions must seek approval in advance of significant changes in the character or nature of the student body of the institution.

2. Change in legal status, form of control, or ownership of the institution
An institution must seek approval of a change in legal status, form of control or ownership as well as other transactions that may alter the governance, structure or control of the institution accredited by HLC. HLC has an established review and decision-making process for such changes that differs from the typical substantive change review. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.070, p. 166 and EXHIBIT B.20: Change of Control, Structure or Organization Procedure)

3. Addition of programs that represent a significant departure from existing offerings

An institution must seek approval of the initiation of a new academic program that represents a significant departure from programs previously included in the institution’s accreditation; HLC records identify those academic programs included in the institution’s accreditation as of the last evaluation.

Policy also requires that an institution seek approval of changes in the method of delivery, in particular the initiation or expansion of distance or correspondence education. (ibid) HLC makes use of the federal definitions of distance and correspondence education with regard to this requirement and any other HLC requirement referencing distance or correspondence education. (ibid) An institution must seek HLC approval when it first begins to offer courses or programs through distance or correspondence delivery (i.e., the initiation of distance or correspondence education). If it receives approval at the time of the initiation of distance education in one or more courses, it then must seek further approval for expansion of that distance or correspondence education approval, for example, from 'courses' to 'courses and one program;' an institution must then seek approval of the first two programs offered by distance or correspondence education. Distance or correspondence delivered programs are further identified in the policy and supporting HLC documents as those programs wherein 50% or more of the courses or credits in the program are provided through the alternate delivery. An institution must monitor its expansion of distance and correspondence education to ensure that it seeks timely approval of any expansion. The highest level of approval available for distance education pertains to 'courses and programs.'

4. Addition of programs of study at a degree or credential level different from that included in grant of accreditation

An institution must seek approval of a new academic program at a degree or other level that is higher or lower than the levels at which HLC has previously accredited the institution; such levels are identified on the institution’s Statement of Accreditation Status on the HLC website. This includes the initiation of graduate programs at an institution that only offers undergraduate programs.

5. Change from clock hours to credit hours; substantial increase in the number of clock or credit hours awarded for successful completion of a program; changes in the way an institution measures student progress

An institution must seek approval when it converts 10% or more of the clock hours awarded for completion of a program to credit hours (or vice versa) as well as any substantial (25%) increase or decrease in the number of clock or credit hours required to complete an academic program offered by the institution. HLC’s policy also recognizes that not all institutions use credit hours or clock hours to measure student progress and indicates that a change in the manner in which an institution measures student progress, regardless of method may require notification or approval. (ibid)

6. A contract under which an institution or organization not certified to participate in the Title IV, HEA
programs offers more than 25 percent of one or more of the accredited institution's educational programs.

An institution must seek approval of a contractual relationship with an entity that is ineligible to participate in Title IV programs if that entity is involved in the educational programs offered by the institution. An institution must seek permission to enter into a contractual relationship for all relationships wherein 25% to 50% of an academic program is being provided by the ineligible entity. HLC asks an institution planning any contractual relationship related to an academic program (and not simply as a platform for distance delivery or other service agreement) to complete a screening form. Based on this screening form, HLC informs that institution whether the contractual relationship with the ineligible entity is sufficiently related to academics and whether the percentage being provided by the contractual partner is such that the institution must seek permission for the contractor's involvement and thus must complete the full contractual substantive change application.

An institution must also seek approval for any contractual relationship wherein more than 50% of instruction is provided by the ineligible entity, but HLC is approving such relationships only in exceptional circumstances and after being certain that the institution is aware of and has planned for the circumstance that the Department may declare the program ineligible for Title IV. (ibid)

7. Additional Locations and Branch Campuses

An institution must seek prior approval before initiating any additional location geographically separate from the main campus, even if separated by only a short distance, that offers 50% or more of an academic program. (ibid) The policy notes in subsequent sections the definitions of these items. A campus or branch offers a full range of instruction as well as administrative and support services. Information on HLC's policies and procedures on branch campuses will be discussed under §602.24. An additional location offers 50% or more of a program. New additional locations must be reviewed through one of the review mechanisms described above (desk review, panel or change visit); be approved by the IAC; and must then host an on-site evaluation within six months at the new campus or additional location, if the review resulting in the approval did not already involve a site visit and, for additional locations, if the location is one of the first three such locations.

An application for an additional location requires that an institution provide evidence of its financial capacity to operate the location and information on its financial resources to support the location. (See EXHIBIT B.19: Substantive Change Manual) As noted before, all substantive change applications are viewed with regard to continued compliance with the Criteria for Accreditation. Thus, review of an application for substantive change regarding an additional location inherently looks at whether the institution will continue to meet HLC's requirements regarding adequacy of faculty, facilities, resources, etc. and ensures that the institution will continue to have appropriate control and oversight of the branch campus.

HLC has an expedited review process for new additional locations called the Notification Program. An institution seeking access to this program must meet approval requirements cited in policy following federal regulations; these approval requirements relate to the institution's capacity to initiate and oversee distributed locations with appropriate academic quality. Once formally approved for this program by HLC, an institution may initiate an additional location without specific prior approval but must provide information about the location and receive an acknowledgment from HLC prior to initiating any specific location.
An institution is re-evaluated every five years for continued access to this program. An institution undergoing a Change of Control loses access to the Notification Program until such time as it can establish to HLC’s satisfaction that the institution, under new ownership, meets the approval requirements noted in the policy. (ibid, INST.F.20.040, p. 155)

An institution that has more than three additional locations must undergo periodic evaluation of a sampling of additional locations. HLC’s program in this area is the Multi-Location Visit Program. This visit is conducted approximately every five years. (ibid, and see EXHIBIT E.18: Sample Multi-Campus Review) A peer reviewer or a small team of peer reviewers travels to the selected additional locations and conducts the evaluation and a report of the findings is provided to the comprehensive evaluation team and the HLC office. (See EXHIBIT B.19: Substantive Change Manual)

8. Acquisition of any other institution or any program or location of another institution

If an institution acquires a location or program previously offered by another institution, such change requires HLC review and approval (through the regular additional location or campus approval process). (ibid) Separately, an institution must seek approval of a merger, asset purchase or other acquisition of an institution under the HLC policies and procedures related to change of control, structure or organization. (ibid, INST.B.20.040, p. 82)

Due to text limitations, please see EXHIBIT H.11: Addendum to 602.22(a)(1)(ii)(A-F) for the remainder of HLC's response to this section.

Document(s) for this Section

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:
The agency's policies include all of the types of substantive changes required by this section, and the agency provided its manual, forms, and materials for substantive changes (Exhibits A.1, INST.F.20.040; B.19; D.16; and D.17). The agency provided examples to verify the process for review and approval of a variety of substantive change types to demonstrate compliance with this section (Exhibits E.10 and E.11). During the virtual file review, Department staff reviewed additional documentation of the review of substantive changes included in this section.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response

Analyst Review Status:

Criteria: 602.22(a)(1)(ii)(G-H)

(G) The acquisition of any other institution or any program or location of another institution.
(H) The addition of a permanent location at a site at which the institution is conducting a teach-out for students of another institution that has ceased operating before all students have completed their program of study.

Narrative:

As noted in the previous section, HLC’s policy on substantive change includes if an institution acquires a location or program previously offered by another institution, such change requires HLC review and approval (through the regular additional location or campus approval process). (See EXHIBIT A.1: HLC Policy Book, INST.F.20.040, p. 155) Separately, an institution must seek approval of a merger, asset purchase or other acquisition of an institution under the HLC policies and procedures related to change of control, structure or organization. (ibid, INST.B.20.040, p. 82)

Institutions must also seek approval of an additional location acquired to provide a teach-out for students of another institution that has ceased operating or that has ceased operating at that location. (ibid, INST.F.20.040, p. 155)
Document(s) for this Section

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Analyst Worksheet - Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's policies include the types of substantive changes required by this section, and the agency provided its manual, forms, and materials for substantive changes (Exhibits A.1, INST.F.20.040; B.19; D.16; and D.17). HLC requires an institution that proposes to add these types of other locations to use the same process for an additional location or campus. Also, an institution that wishes to assume an additional location or campus via merger, asset purchase or other acquisition must follow the change of control or ownership process. During the virtual file review, Department staff reviewed documentation of the review and approval of the other types of locations noted by this section (ED Exhibit 27 - 2909 20191114 Change of Control - Action Letter_Redacted and ED Exhibit 30 - 1202 20210730 Desk Review - Triage Form).

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response

Analyst Review Status:
Criteria: 602.22(a)(1)(ii)(I)

Description of Criteria

(I) The addition of a new location or branch campus, except as provided in paragraph (c) of this section. The agency's review must include assessment of the institution's fiscal and administrative capability to operate the location or branch campus, the regular evaluation of locations, and verification of the following:

1. Academic control is clearly identified by the institution.
2. The institution has adequate faculty, facilities, resources, and academic and student support systems in place.
3. The institution is financially stable.
4. The institution had engaged in long-range planning for expansion.

Narrative:
As noted previously, an institution must seek prior approval before initiating any additional location geographically separate from the main campus, even if separated by only a short distance, that offers 50% or more of an academic program. (ibid) The policy notes in subsequent sections the definitions of these items. A campus or branch offers a full range of instruction as well as administrative and support services. Information on HLC’s policies and procedures on branch campuses will be discussed under §602.24. An additional location offers 50% or more of a program. New additional locations must be reviewed through one of the review mechanisms described above (desk review, panel or change visit); be approved by the IAC; and must then host an on-site evaluation within six months at the new campus or additional location, if the review resulting in the approval did not already involve a site visit and, for additional locations, if the location is one of the first three such locations.

An application for an additional location requires that an institution provide evidence of its financial capacity to operate the location and information on its financial resources to support the location. (See EXHIBIT B.19: Substantive Change Manual) As noted before, all substantive change applications are viewed with regard to continued compliance with the Criteria for Accreditation. Thus, review of an application for substantive change regarding an additional location inherently looks at whether the institution will continue to meet HLC’s requirements regarding adequacy of faculty, facilities, resources, etc. and ensures that the institution will continue to have appropriate control and oversight of the branch campus.

HLC has an expedited review process for new additional locations called the Notification Program. An institution seeking access to this program must meet approval requirements cited in policy following federal regulations; these approval requirements relate to the institution’s capacity to initiate and oversee distributed locations with appropriate academic quality. Once formally approved for this program by HLC, an institution may initiate an additional location without specific prior approval but must provide information about the location and receive an acknowledgment from HLC prior to initiating any specific location.
An institution is re-evaluated every five years for continued access to this program. An institution undergoing a Change of Control loses access to the Notification Program until such time as it can establish to HLC’s satisfaction that the institution, under new ownership, meets the approval requirements noted in the policy. (ibid, INST.F.20.040, p. 155)

An institution that has more than three additional locations must undergo periodic evaluation of a sampling of additional locations. HLC’s program in this area is the Multi-Location Visit Program. This visit is conducted approximately every five years. (ibid, and see EXHIBIT E.18: Sample Multi-Campus Review) A peer reviewer or a small team of peer reviewers travels to the selected additional locations and conducts the evaluation and a report of the findings is provided to the comprehensive evaluation team and the HLC office. (See EXHIBIT B.19: Substantive Change Manual)

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s policies include the establishment of an additional location or branch campus as a substantive change, except as provided by Section 602.22(c) (Exhibit A.1, INST.F.20.040). HLC’s review includes the assessment of the institution’s fiscal and administrative capability, as required by this section, and the agency provided its manual, forms, and materials for the review of an additional location or branch campus (Exhibits A.1, INST.F.20.050; B.19; D.16; and D.17). The agency provided an example to verify the process for review of an additional location (Exhibit E.11.a). During the virtual file review, Department staff reviewed additional documentation of the review of additional locations and branch campuses.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:
HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.22(a)(1)(ii)(J-K)
Description of Criteria

(J) Entering into a written arrangement under 34 CFR 668.5 under which an institution or organization not certified to participate in the title IV, HEA programs offers more than 25 and up to 50 percent of one or more of the accredited institution’s educational programs.

(K) Addition of each direct assessment program.

Narrative:
As noted previously, an institution must seek approval of a contractual relationship with an entity that is ineligible to participate in Title IV programs if that entity is involved in the educational programs offered by the institution. An institution must seek permission to enter into a contractual relationship for all relationships wherein 25% to 50% of an academic program is being provided by the ineligible entity. HLC asks an institution planning any contractual relationship related to an academic program (and not simply as a platform for distance delivery or other service agreement) to complete a screening form. Based on this screening form, HLC informs that institution whether the contractual relationship with the ineligible entity is sufficiently related to academics and whether the percentage being provided by the contractual partner is such that the institution must seek permission for the contractor’s involvement and thus must complete the full contractual substantive change application.

An institution must also seek approval for any contractual relationship wherein more than 50% of instruction is provided by the ineligible entity, but HLC is approving such relationships only in exceptional circumstances and after being certain that the institution is aware of and has planned for the circumstance that the Department may declare the program ineligible for Title IV. (ibid)

In addition to programs that represent a significant departure from existing offerings, competency-based and direct assessment programs require approval, as specifically noted in the policy. An institution must seek approval of its first two credit-based competency-based programs and of each direct assessment program. (ibid)

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Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s policies include written arrangements with a non-Title IV provider and any direct assessment program as substantive changes (Exhibit A.1, INST.F.20.040). HLC provided its manual, forms and materials for the review of written arrangements and programs offered via direct assessment (Exhibits B.19, D.16 and D.17). The agency provided an example to verify the review process for a written arrangement in the petition (Exhibit E.11.c), but did not provide an example of the review process for a direct assessment program. During the virtual file review, Department staff reviewed documentation of the review of written arrangements and direct assessment (ED Exhibit 21 - University of Phoenix BS in Information Technology_Redacted).

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<td>ED Exhibit 21 - University of Phoenix BS in Information Technology</td>
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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.22(a)(2)(i-ii)
Description of Criteria

(2) (i) For substantive changes under only paragraph (a)(1)(ii)(C), (E), (F), (H), or (J) of this section, the agency's decision-making body may
designate agency senior staff to approve or disapprove the request in a timely, fair, and equitable manner; and
(ii) In the case of a request under paragraph (a)(1)(ii)(J) of this section, the agency must make a final decision within 90 days of receipt of a materially complete request, unless the agency or its staff determine significant circumstances related to the substantive change require a review by the agency’s decision-making body to occur within 180 days.

Narrative:
As noted previously, HLC staff do not possess the authority to approve or deny a substantive change application under this section except for, as of HLC’s February 2021 Board meeting, approving the addition of a permanent location at a site at which the institution is conducting a teach-out for students of another institution that has ceased operating before all students have completed their program of study. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.050, p. 160 and INST.F.20.070, p. 166)

Most substantive change applications are reviewed within 90 days of submission of a materially complete application. (See EXHIBIT B.19: Substantive Change Manual, EXHIBIT D.16: Substantive Change Application Forms, and EXHIBIT C.11: List of Substantive Change Requests) With regard to applications for Change of Control, Structure or Organization, depending on the complexity of the proposed transaction, review may take up to 180 days.

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's policies state that all substantive changes that require prior approval must be approved by an HLC decision-making body — either the IAC or Board (Exhibit A.1, INST.F.20.040 and INST.F.20.050). Within the narrative, HLC stated that agency staff could approve or disapprove “the addition of a
permanent location at a site at which the institution is conducting a teach-out for students of another institution that has ceased operating before all students have completed their program of study,” as of the February 2021 Board meeting. During the virtual file review, the agency provided documentation to demonstrate that change in policy but stated that it has not had a chance to implement it (ED Exhibit 31 - AdoptedPolicy-StaffAuthority_2021-02_POL).

Within the narrative, the agency stated that “[m]ost substantive change applications are reviewed within 90 days of submission of a materially complete application,” and provided the agency’s manual, forms and list of substantive change requests as documentation (Exhibits B.19, C.11, and D.16). However, Section 602.22(a)(2)(ii) requires an agency to make a final decision within 90 days of receipt of a materially complete request of a written arrangement described in Section 602.22(a)(1)(I), unless significant circumstances are noted which could extend the review to 180 days. During the virtual file review, Department staff reviewed the internal procedure for the review of contractual agreements and a substantive change for approval of a contractual agreement that included the 90-day regulatory requirement to make a decision on a written arrangement application (ED Exhibit 32 - Indiana Wesleyan University Contractual Application_Redacted).

List of Document(s) Uploaded by Analyst - Narrative

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<td>ED Exhibit 32 - Indiana Wesleyan University Contractual Application_Redacted</td>
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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.22(b)
Description of Criteria

(b) Institutions that have been placed on probation or equivalent status, have been subject to negative action by the agency over the prior three academic years, or are under a provisional certification, as provided in 34 CFR 668.13, must receive prior approval for the following additional changes (all other institutions must report these changes within 30 days to their accrediting agency):
(1) A change in an existing program's method of delivery.
(2) An aggregate change of 25 percent or more of the clock hours, credit hours, or content of a program since the agency's most recent accreditation review.
(3) The development of customized pathways or abbreviated or modified courses or programs to—
   (i) Accommodate and recognize a student's existing knowledge, such as knowledge attained through employment or military service; and
   (ii) Close competency gaps between demonstrated prior knowledge or competency and the full requirements of a particular course or program.
(4) Entering into a written arrangement under 34 CFR 668.5 under which an institution or organization not certified to participate in the title IV, HEA programs offers up to 25 percent of one or more of the accredited institution's educational programs.

Narrative:
HLC policy states that while an institution may file one or more applications for substantive change while on Probation or Show-Cause, such applications will be subject to heightened scrutiny and are likely to be denied or deferred until after the probationary period unless the institution is able to demonstrate a compelling immediate need for the change. (See EXHIBIT A.1: HLC Policy Book, INST.E.20.010, p. 121)

Further, the policy imposes the additional requirements set forth in this section. (ibid) HLC policy states that certain substantive changes that would otherwise require Commission notification within 30 days require approval for institutions that have been placed on Probation and for three years following the removal of Probation. These changes, as stated in policy, include:

• initiation of a contractual or other arrangement wherein an institution outsources some portion of one or more of its educational programs to any of the following parties: an unaccredited institution; an institution that is not accredited by an accreditor recognized by the U.S. Department of Education; or a corporation or other entity;
• a change in an existing program’s method of delivery;
• an aggregate change of 25 percent or more of the clock hours, credit hours, or content of a program since the agency's most recent accreditation review;
• the development of customized pathways or abbreviated or modified courses or programs to accommodate and recognize a student’s existing knowledge, such as knowledge attained through employment or military service; and
• close competency gaps between demonstrated prior knowledge or competency and the full requirements of a particular course or program; and
• the initiation of a contractual or other arrangement wherein an institution outsources some portion of one or more of its educational programs to any of the following parties: an unaccredited institution; an institution that is not accredited by an accreditor recognized by the U.S. Department of Education; or a corporation or other entity. (ibid)

As noted, outside of the Probation and Show-Cause context, these types of substantive changes only require Commission notification within 30 days of the change. (ibid) HLC procedure establishes the process by which institutions provide such notice. (See EXHIBIT B.19: Substantive Change Manual)
Does not meet the requirements of this section

Staff Determination:

The agency’s substantive change policies do not require institutions that are under a provisional certification, as provided in 34 CFR 668.13, to receive prior approval for the substantive changes noted in this section.

Analyst Remarks to Narrative:

The agency’s policies include the notification of all of the types of substantive changes required by this section and the approval of the same types of substantive changes for institutions on probation or show cause or institutions subject to a negative action (sanction, show cause, or probation) over the prior three academic years (Exhibit A.1, INST.E.20.010 and INST.F.20.040). However, the requirement for approval of the substantive changes does not appear to extend to institutions that are under a provisional certification, as provided in 34 CFR 668.13, and as required by this section. During the virtual file review, the agency provided examples to verify notification within 30 days for substantive change types noted in this section.
HLC does not dispute that, at the time of the file review, HLC policy did not explicitly require that an institution under provisional certification with the Department of Education seek approval of the substantive changes noted in this section. However, in June 2022, HLC adopted policy revisions that served to explicitly address all the requirements of § 602.22(b). (SEE EXHIBIT I.4: Adopted Policy on Substantive Change Review Processes)

Based on these policy revisions, HLC policy now states that an institution on provisional certification (having been placed on such status on or after July 1, 2020) must seek prior approval of the following substantive changes:

- The initiation of a contractual or other arrangement wherein an institution outsources some portion of one or more of its educational programs to any of the following parties: an unaccredited institution; an institution that is not accredited by an accreditor recognized by the U.S. Department of Education; or a corporation or other entity.
- A change in an existing program’s method of delivery.
- An aggregate change of 25 percent or more of the clock hours, credit hours, or content of a program since the agency’s most recent accreditation review.
- The development of customized pathways or abbreviated or modified courses or programs to:
  - Accommodate and recognize a student’s existing knowledge, such as knowledge attained through employment or military service; and
  - Close competency gaps between demonstrated prior knowledge or competency and the full requirements of a particular course or program.
- The initiation of a contractual or other arrangement wherein an institution outsources some portion of one or more of its educational programs to any of the following parties: an unaccredited institution; an institution that is not accredited by an accreditor recognized by the U.S. Department of Education; or a corporation or other entity. (SEE EXHIBIT I.1: HLC Policy Book, June 2022, INST.F.20.040, Substantive Change, p, 153)

These policy changes were effective immediately. Based on the adoption of these revisions, HLC meets the requirements of § 602.22(b) as an institution under provisional certification (set forth in § 668.13) must seek prior approval of the aforementioned substantive changes.

To ensure an effective administration of this policy, HLC also required the full membership to attest to its provisional certification status shortly after the policy revisions were adopted. (SEE EXHIBIT J.4: Provisional Certification Materials, p. 1) Additionally, HLC revised its Obligations of Membership to include a requirement that an institution promptly notify HLC of its placement or removal from Provisional Certification Status (SEE EXHIBIT I.1: HLC Policy Book, June 2022, INST.B.30.20, Obligations of Membership #8). To implement the notification requirement, HLC created a webform through which an institution can immediately report to HLC placement or removal from Provisional Certification status.
These policy changes were also coupled with conforming changes to HLC’s website and information related to substantive change. (EXHIBIT J.4: Provisional Certification Materials, p. 5)

HLC has also implemented a process to track and maintain data regarding provisional certification status. (SEE EXHIBIT I.5: HLC Watchlist Procedure) This procedure document ensures that institutions under provisional certification status with the Department of Education are properly subjected to the requirements of HLC policy.

 Analyst Worksheet - Response
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Response

In response to the draft staff analysis, HLC revised its policies to clearly require institutions that are under a provisional certification, as provided in 34 CFR 668.13, to receive prior approval for the substantive changes noted in this section. The agency provided the revised Substantive Change policy to meet the requirements of this section (HLC Exhibit: HLC Policy Book, effective June 2022, INST.F.20.040). HLC also revised its Obligations of Membership to require institutions to notify HLC when placed on or removed from provisional certification (HLC Exhibit: HLC Policy Book, effective June 2022, INST.B.30.020, Obligations of Membership #8).

HLC provided documentation of its implementation of these revised policies, to include its internal process to track the provisional certification status of institutions, its request of an attestation from all institutions regarding its certification status with the Department, and its updated web-based notification form (HLC Exhibits: HLC Watchlist Procedure; and Provisional Certification Materials). The agency also confirmed that no institution under a provisional certification has requested prior approval of a substantive change noted in this section (ED Exhibit 44 - HLC Supplemental Response to Department - December 7 2022 and ED Exhibit 46 - Provisional Certification Reminder 2022-08-18).

List of Document(s) Uploaded by Analyst - Response

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<td>ED Exhibit 46 - Provisional Certification Reminder 2022-08-18</td>
<td>ED Exhibit 46 - Provisional Certification Reminder 2022-08-18.pdf</td>
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Criteria: 602.22(c-d)
Description of Criteria

(c) Institutions that have successfully completed at least one cycle of accreditation and have received agency approval for the addition of at least two additional locations as provided in paragraph (a)(1)(ii)(I) of this section, and that have not been placed on probation or equivalent status or been subject to a negative action by the agency over the prior three academic years, and that are not under a provisional certification, as provided in 34 CFR 668.13, need not apply for agency approval of subsequent additions of locations, and must report these changes to the accrediting agency within 30 days, if the institution has met criteria established by the agency indicating sufficient capacity to add additional locations without individual prior approvals, including, at a minimum, satisfactory evidence of a system to ensure quality across a distributed enterprise that includes—

1. Clearly identified academic control;
2. Regular evaluation of the locations;
3. Adequate faculty, facilities, resources, and academic and student support systems;
4. Financial stability; and
5. Long-range planning for expansion.

(d) The agency must have an effective mechanism for conducting, at reasonable intervals, visits to a representative sample of additional locations approved under paragraphs (a)(1)(ii)(H) and (I) of this section.

Narrative:
As noted under §602.22(a), HLC has an expedited review process for new additional locations called the Notification Program. An institution may apply for access to the Notification Program after having received previous approval for two additional locations and having completed at least one full cycle on the Open or Standard Pathway. (See EXHIBIT A.: HLC Policy Book, INST.F.20.050, p. 160) The details of the program align with this regulation. An institution seeking access to this program must meet approval requirements cited in policy following federal regulations; these approval requirements relate to the institution’s capacity to initiate and oversee distributed locations with appropriate academic quality. Once formally approved for this program by HLC, an institution may initiate an additional location without specific prior approval but must provide information about the location and receive an acknowledgment of the additional location from HLC prior to initiating any specific location. An institution is re-evaluated every five years for continued access to this program. An institution that has been placed on a sanction is ineligible from the Notification Program for ten years from the date on which the sanction was removed (the completion of a full accreditation cycle). (ibid)

As noted throughout §602.22, HLC’s substantive change review process looks at an institution’s continued compliance with the Criteria for Accreditation in light of the requested change. Thus, access to the Notification Program and HLC’s continued review of additional locations ensures that an institution continues to meet HLC’s requirements, including those related to academic control, faculty,
resources, finances, strategic planning, etc.

An institution that has more than three additional locations, including those added through the Notification Program, must undergo periodic evaluation of a sampling of additional locations, referred to as the Multi-Location Visit Program. Under policy, an institution with the appropriate number of additional locations must undergo a multi-location visit every five years. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.060, p. 164) An institution with less than three additional locations has all of its locations reviewed during its routine comprehensive evaluations, which, as noted before, occur at least every six years.

For a sample of the application and approval process for additional locations, see EXHIBIT E.11.a Campus and Additional Locations; for a sample of the Notification Program for Additional Locations, see EXHIBIT 11.i: Notification Program for Additional Locations. For a sample of a Multi-Location Confirmation Visit, see EXHIBIT E.17: Sample Additional Location Confirmation Visit Analysis. For a sample Multi-Campus Visit, see EXHIBIT E.18: Sample Multi-Campus Review.

Document(s) for this Section

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Analyst Worksheet- Narrative
Analyst Review Status:

Does not meet the requirements of this section

Staff Determination:
The agency’s substantive change policies do not limit institutions that are under a provisional certification, as provided in 34 CFR 668.13, from accessing the notification program for additional locations, as required by this section.

Analyst Remarks to Narrative:

The agency's policies include a process for institutions to seek access to a notification program for additional locations (Exhibit A.1, INST.F.20.050). Institutions are eligible to seek access to the notification program if the institution has been accredited by HLC for at least 10 consecutive years; has not been placed on probation, show cause or monitoring issue related to instruction or existing additional locations during the 10-year time period; has three additional locations approved by HLC; and has demonstrated evidence of a system to ensure quality across a distributed enterprise in the areas required by this section. However, the institutional eligibility requirements for the notification program do not appear to include institutions that are not under a provisional certification, as provided in 34 CFR 668.13, and as required by this section.

HLC's policy states that an institution that participates in notification program is reevaluated at least every five years for continued eligibility, and an institution that undergoes a change in ownership or control is deemed no longer eligible until demonstration at the next comprehensive accreditation review that the institution continues to meet the eligibility requirements. The policy also states that agency staff may remove an institution temporarily or permanently in specific circumstances. In addition, the policy states that an institution can open a new additional location “after notifying HLC prior to initiating any new additional locations and receiving an acknowledgment that HLC has added the new additional location to its database,” which meets the requirement of this section to notify the agency within 30 days. The agency provided an example to verify the approval process for access to the notification program for additional locations (Exhibit E.11.i).

The agency provided its policies related to the ongoing review of additional locations and branch campuses (Exhibit A.1, INST.F.20.060). If an institution has more than three additional locations, HLC will conduct a site visit to a representative sample of those locations every five years. If an institution has less than three additional locations, the agency will conduct a site visit to all additional locations in conjunction with a comprehensive accreditation review, that occurs at least every six years. HLC provided documentation of the initial review and periodic evaluation of additional locations and branch campuses (Exhibits E.11.a, E.17, and E.18). During the virtual file review, Department staff reviewed additional documentation of the notification by institutions of the notification of additional locations and the visits to additional locations and branch campuses at reasonable intervals.

List of Document(s) Uploaded by Analyst - Narrative

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As noted under § 602.22(b), HLC does not dispute that, at the time of the file review, HLC policy did not explicitly address the implications of provisional certification under § 668.13 as it relates to substantive change and the Notification Program for Additional Locations. However as noted previously, in June 2022, HLC adopted policy revisions that served to explicitly address all the requirements this section.

(SEE EXHIBIT I.4: Adopted Policy on Substantive Change Review Processes) These policy revisions were effective immediately.

With these revisions, HLC policy explicitly provides that in order to be eligible for the Notification Program for Additional Locations an institution must not be under “provisional certification with the U.S. Department of Education (having been placed on such status on or after July 1, 2020).” (SEE EXHIBIT I.1: HLC Policy Book, June 2022, INST.F.20.050, Review of Substantive Change, p. 160) This policy further provides that if an institution in the Notification Program for Additional Locations is placed on provisional certification, the institution will be suspended from the Program until it is no longer under provisional certification. (ibid)

As explained under 602.22(b), to ensure an effective administration of this policy, HLC required the full membership to attest to its provisional certification status shortly after the policy revisions were adopted. (SEE EXHIBIT J.4: Provisional Certification Materials, p. 1) HLC also revised its Obligations of Membership to include a requirement that an institution promptly notify HLC of its placement or removal from Provisional Certification Status (SEE EXHIBIT I.1: HLC Policy Book, June 2022, INST.B.30.20, Obligations of Membership #8). To implement the notification requirement, HLC created a webform through which an institution can immediately report to HLC placement or removal from Provisional Certification status. (ibid, p. 3) These policy changes were also coupled with conforming changes to HLC’s website and information related to the Notification Program. (EXHIBIT J.4: Provisional Certification Materials, p. 5)

HLC has also implemented a process to track and maintain data regarding provisional certification status. (SEE EXHIBIT I.5: HLC Watchlist Procedure) This procedure document ensures that institutions under provisional certification status with the Department of Education are properly suspended from the Notification Program for Additional Locations.

Analyst Worksheet - Response
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Response
In response to the draft staff analysis, HLC revised its policies to clearly prohibit institutions that are under a provisional certification, as provided in 34 CFR 668.13, from accessing the agency’s notification program for additional locations, as required by this section. The agency provided the revised Review of Substantive Change policy to meet the requirements of this section (HLC Exhibit: HLC Policy Book, effective June 2022, INST.F.20.050). HLC also revised its Obligations of Membership to require institutions to notify HLC when placed on or removed from provisional certification (HLC Exhibit: HLC Policy Book, effective June 2022, INST.B.30.020, Obligations of Membership #8).

HLC provided documentation of its implementation of these revised policies, to include its internal process to track the provisional certification status of institutions, its request of an attestation from all institutions regarding its certification status with the Department, and its updated web-based notification form (HLC Exhibits: HLC Watchlist Procedure; and Provisional Certification Materials). The agency also provided documentation that it has removed two institutions under a provisional certification from the notification program for additional locations and that those institutions have submitted applications for additional locations (ED Exhibit 44 - HLC Supplemental Response to Department - December 7 2022; ED Exhibit 47 - Liaison Email to Institution re Removal from Notification Program; ED Exhibit 48 - Substantive Change Application for Lorain County Community College; and ED Exhibit 49 - Substantive Change Application for Michigan State University).

List of Document(s) Uploaded by Analyst - Response

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Criteria: 602.22(e)

Description of Criteria

(e) The agency may determine the procedures it uses to grant prior approval of the substantive change. However, these procedures must specify an effective date, on which the change is included in the program's or institution's grant of accreditation or preaccreditation. The date of prior approval must not pre-date
either an earlier agency denial of the substantive change, or the agency's formal acceptance of the application for the substantive change for inclusion in the program's or institution's grant of accreditation or preaccreditation. An agency may designate the date of a change in ownership as the effective date of its approval of that substantive change if the accreditation decision is made within 30 days of the change in ownership. Except as provided in paragraphs (d) and (f) of this section, an agency may require a visit before granting such an approval.

Narrative:
As stated in HLC policy, approval of a substantive change application must either be effective as of the date of the approval or within 30 days of the date of approval. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.050, p. 160) HLC does not allow for the establishment of an effective date of any substantive change prior to the date on which the application was approved by a decision-making body.

Document(s) for this Section

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's policies and procedures are comprehensive and detailed as to the agency's expectation for submission and review of substantive change requests (Exhibit A.1, INST.F.20.040 and INST.F.20.050; and B.19). HLC has three processes for approving substantive changes - desk review, change panel or change visit. A specialized team of agency staff determine the review mechanism by considering the institution's previous experience in the type of change being requested and the complexity of the specific change, but most reviews occur via a change panel. The 'change panel' is a review by three site visitors experienced with the type of change requested. The 'desk review' is by agency staff for simple, straightforward changes done by institutions with experience in that type of change. The 'change visit' is an on-site visit to an institution that wants to start a significantly new initiative for that institution, or where an on-site review is needed to determine whether the change should be approved. Regardless of the type of review, all materials included in the application are reviewed to ensure that the institution can undertake the substantive change and remain in compliance with the agency's standards (Exhibits D.16 and D.17).

The agency's substantive change policies clearly state that the effective date for substantive changes will be on or after the date the decision-making body issues its approval and in no case will such an action be retroactive (Exhibit A.1, INST.F.20.050). For a change of control, the agency states the effective date of the decision-making body's action and the requirement that no effective date will be more than thirty
days from the date of that action (Exhibit A.1, INST.F.20.070).

The agency provided examples of substantive changes, which included all materials to document a complete review of a substantive change following the stated process (i.e. application submission and documentation; desk review, change panel, or change visit; IAC or Board review; IAC or Board decision, etc.) and demonstrate that the approval is not retroactive (Exhibits E.10 and E.11). The agency provided documentation to demonstrate that a decision-making body is granting approval of substantive changes (Exhibits C.9 and C.10).

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.22(f)(1)
Description of Criteria

(f) Except as provided in paragraph (c) of this section, if the agency’s accreditation of an institution enables the institution to seek eligibility to participate in title IV, HEA programs, the agency’s procedures for the approval of an additional location that is not a branch campus where at least 50 percent of an educational program is offered must include—
   (1) A visit, within six months, to each additional location the institution establishes, if the institution—
      (i) Has a total of three or fewer additional locations;
      (ii) Has not demonstrated, to the agency’s satisfaction, that the additional location is meeting all of the agency’s standards that apply to that additional location; or
      (iii) Has been placed on warning, probation, or show cause by the agency or is subject to some limitation by the agency on its accreditation or preaccreditation status;

Narrative:
HLC policy requires that a site visit occur within six months of the opening of each of an institution’s first two additional locations. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.060, p. 164) Under HLC process, these are referred to as Additional Location Confirmation Visits. An institution must also host a site visit within six months of opening an additional location if the institution has a total of less than three additional locations (See EXHIBIT B.19: Substantive Change Manual and EXHIBIT C.12: List of All Opened Additional Locations March 2018-March 2021)

As noted earlier, if an institution is on a sanction or under a Show-Cause Order, any application for substantive change will be subject to heightened scrutiny and such changes are likely to be deferred until after the sanction or Show-Cause period unless the institution demonstrates a compelling need. (ibid, INST.E.20.010, p. 121 and INST.E.30.010, p. 127) If an institution is approved for an additional location while on a sanction or under a Show-Cause Order, an on-site visit within six months of the opening of an additional location is required. (ibid)

Under HLC’s routine monitoring processes, described under §602.19, HLC may conduct a visit to an additional location or branch campus to ensure ongoing compliance with HLC standards as deemed necessary. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.060, p. 164) Furthermore, HLC’s policy on Special Monitoring also affords HLC authority to review ongoing compliance at any time in light of information available to the Commission. (ibid, INST.F.20.010, p. 148)

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency has written policies and procedures for the review and approval of additional locations and defines an additional location as a location at which the institution offers at least 50% of an academic program (Exhibit A.1, INST.F.20.050). The agency’s policy requires a site visit to the additional location within six months “of the date an institution matriculates students and begins instruction,” if the institution has three or fewer additional locations or meets the other requirements of this section (Exhibit A.1, INST.F.20.060). The agency provided a list of all additional locations opened from March
2018 to March 2021 and an example to verify the process for review of an additional location (Exhibits C.12 and E.11.a). During the virtual file review, Department staff reviewed additional documentation of the review of additional locations.

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC's adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.22(f)(2)
Description of Criteria

(2) A mechanism for conducting, at reasonable intervals, visits to a representative sample of additional locations of institutions that operate more than three additional locations; and

Narrative:
As noted under §602.22(d), an institution that has more than three additional locations, including those added through the Notification Program, must undergo periodic evaluation of a sampling of additional locations (the Multi-Location Visit Program). A multi-location visit is conducted approximately every five years. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.060, p. 164)

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Analyst Worksheet- Narrative
Analyst Review Status:
Meets the requirements of this section

Analyst Remarks to Narrative:

The agency provided its policies related to conducting site visits to additional locations of institutions that operate more than three additional locations (Exhibit A.1, INST.F.20.060). If an institution has more than three additional locations, HLC will conduct a site visit to a representative sample of those locations every five years via “multi-location visit.” The policy states that the “multi-location visit” will occur to a “sample of such locations as defined in HLC procedure,” but HLC did not provide the procedure for determining the selection of locations in the petition. HLC provided documentation of the ongoing monitoring and periodic evaluation of additional locations (Exhibit E.17).

During the virtual file review, HLC provided the procedure used for conducting multi-location visits (ED Exhibit 22 - Multi-locationVisit_PRC) and examples of the review of additional locations. The procedure states that locations “will be chosen based on the total number of additional locations an institution has, the geographic range of its additional locations, and the range of academic programs offered at different locations.”

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.22(f)(3)
Description of Criteria

(3) A mechanism, which may, at the agency’s discretion, include visits to additional locations, for ensuring that accredited and preaccredited institutions that experience rapid growth in the number of additional locations maintain education quality.

Narrative:
As noted previously under HLC’s routine monitoring processes, described under §602.19, HLC may conduct a visit to an additional location or branch campus to ensure ongoing compliance with HLC standards as deemed necessary. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.060, p. 164) Furthermore, HLC’s policy on Special Monitoring also affords HLC authority to review ongoing compliance at any time in light of information available to the Commission. (ibid, INST.F.20.010, p. 148) This includes monitoring for if an institution has rapidly increased its number of additional locations.

Document(s) for this Section

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Analyst Worksheet - Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency has written policies and procedures for the monitoring of additional locations, to include a site visit to ensure compliance with standards or at any time HLC has reason to question the ongoing compliance of the institution, such as rapid growth of additional locations (Exhibit A.1, INST.F.20.060 and INST.F.20.010). During the virtual file review, the agency stated that it has not had the opportunity to apply this policy and therefore could not provide documentation to demonstrate implementation.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:
Criteria: 602.22(g)

Description of Criteria

(g) The purpose of the visits described in paragraph (f) of this section is to verify that the additional location has the personnel, facilities, and resources the institution claimed it had in its application to the agency for approval of the additional location.

Narrative:
As stated in HLC policy, the purpose of a visit described under §602.22(f) is to verify the appropriate of the approval of the substantive change, with regard to the institution’s ongoing compliance with HLC standards, specifically the Criteria for Accreditation. Thus, HLC’s review of additional locations through its substantive change processes includes a review of the institution’s ongoing compliance with those standards related to adequacy of staff and faculty, finances, etc. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.060, p. 164)

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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency has written policies and procedures for the site visits to additional locations, which include the verification of personnel, facilities, and resources as stated by the institution (Exhibit A.1, INST.F.20.060). During the virtual file review, Department staff reviewed documentation of a site visit that demonstrate HLC verifies that an additional location has the personnel, facilities, and resources as claimed in its application to the agency for approval of the additional location (ED Exhibit 33 - 2010 20211111 Additional Location Confirmation - Reviewer Analysis_Redacted).

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

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Criteria: 602.22(h)

Description of Criteria

(h) 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.

Narrative:
HLC policy affords that a comprehensive evaluation can be triggered if the peer review team finds extensive concerns to warrant such an evaluation. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.060, p. 164) As stated in policy, HLC reserves the authority to schedule an immediate comprehensive evaluation “when changes made or proposed by an institution are so extensive that they call into question whether they fundamentally alter the nature or character of the institution the Commission accredited at the time of the institution’s last comprehensive evaluation. These changes include, but are not limited to, the any or all of the following:

1. extensive numbers of new or revised academic programs;
2. extensive numbers of new campuses or additional locations;
3. significant new populations of students;
4. new delivery formats including distance, correspondence, compressed, or other formats;
5. frequent significant modifications to corporate or governance structures;
6. involvement of the institution in one or more joint ventures, limited partnerships or other arrangements that may affect its academic programs, services, students, or governance structure.” (ibid)

Separately, following the approval of an application for Change of Control, Structure or Organization, HLC policy requires that an institution undergo a comprehensive evaluation no more than five years after the execution of the transaction. (ibid, INST.F.20.080, p. 170)

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The agency's substantive change policy identifies the types of changes made or proposed by an institution that may require a comprehensive evaluation of the institution by the agency (Exhibit A.1, INST.F.20.060). The agency's policy also includes the requirement that an institution that undergoes a change of ownership or control must host a comprehensive accreditation review no more than five years after the transaction closes. During the virtual file review, the agency indicated that it has not had the opportunity to apply this policy and therefore could not provide documentation of implementation.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department's review of HLC's adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.23(a)
Description of Criteria

(a) The agency must maintain and make available to the public written materials describing--
(1) Each type of accreditation and preaccreditation it grants;
(2) The procedures that institutions or programs must follow in applying for accreditation, preaccreditation, or substantive changes and the sequencing of those steps relative to any applications or decisions required by States or
the Department relative to the agency's preaccreditation, accreditation, or substantive change decisions;
(3) The standards and procedures it uses to determine whether to grant, reaffirm, reinstate, restrict, deny, revoke, terminate, or take any other action related to each type of accreditation and preaccreditation that the agency grants;
(4) The institutions and programs that the agency currently accredits or preaccredits and, for each institution and program, the year the agency will next review or reconsider it for accreditation or preaccreditation; and
(5) A list of the names, academic and professional qualifications, and relevant employment and organizational affiliations of—
   (i) The members of the agency's policy and decision-making bodies; and
   (ii) The agency's principal administrative staff.

Narrative:
HLC only grants preaccreditation status in the form of Candidate for Accreditation. An institution that has been awarded accreditation has one of the following seven statuses: accredited; accredited — Probation; accredited — Administrative Probation; accredited — Notice; accredited — Show-Cause; accredited-withdrawal; or accredited-withdrawal under appeal. Each status with HLC is clearly articulated in HLC's policy book. (See EXHIBIT A.1: HLC Policy Book, INST.B.20.020, p. 74, INST.B.20.030, p. 80, INST.E.10.010, p. 117, INST.E.20.010, p. 121, and INST.E.30.010, p. 127)

HLC's policy book, cited throughout this petition, and related procedure documents provide written notice of the steps that must be followed in terms of applying for Candidate for Accreditation, accreditation (initial or continued), and any substantive change.

First, HLC policy explicitly defines the requirements for Candidate for Accreditation (preaccreditation) status. As stated in policy, an institution is eligible for Candidate for Accreditation status if:

• the institution meets each of the Eligibility Requirements;
• the institution demonstrates sufficient evidence, including evidence that the institution currently conforms with each of the Assumed Practices, to support the judgment that all of the Criteria for Accreditation and Core Components can reasonably be met within four years of candidacy; and
• the institution meets the Federal Compliance Requirements. (ibid, INST.B.20.20, p. 72)

HLC's Eligibility Process provides a clear framework as to how an institution seeks and obtains Candidate for Accreditation Status in accordance with this policy. (See EXHIBIT B.21: Eligibility Process) This information is also published on HLC's website.

Second, as noted under §602.19, HLC has clear processes related to routine evaluations of an institution. (See EXHIBIT A.1: HLC Policy Book, INST.C.10.010, p. 95) HLC's policy book, which is available on the website, clearly articulates the standards HLC applies when evaluating an institution. HLC also maintains a process document that clearly establishes the process and framework for such routine evaluations. (See EXHIBIT B.26: Comprehensive Evaluation Process)

Third, as established §602.22, HLC has clear policies and procedures regarding its substantive change
processes based on its Substantive Change policy. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.040, p. 155 and EXHIBIT B.20: Substantive Change Process) HLC also maintains tools on its website to assist institutions with determining whether a proposed change constitutes a substantive change that requires prior review and approval by HLC. Institutions may access this tool at any time on the HLC website.

Ultimately, HLC’s policies define the processes and procedures for granting Candidate for Accreditation status and Initial Accreditation, for reaffirming accreditation, denying Candidate for Accreditation status or Initial Accreditation, or withdrawing Candidate for Accreditation status or accreditation. The standards for obtaining and maintaining status (the Eligibility Requirements, Assumed Practices, Criteria for Accreditation, and Federal Compliance Requirements) are clearly defined in HLC policy. (See EXHIBIT A.1: HLC Policy Book, CRRT.A.10.010, p. 11, CRRT.B.10.010, p. 16, CRRT.B.10.020, p. 24 and FDCR.A.10.010, p. 35)

Institutional Directory

HLC maintains a database of all current and previous member institutions that provides the public an institution’s Statement of Accreditation Status or SAS in the form of the Institutional Directory. The SAS provides a summary of an institution’s accreditation history with HLC. The directory provides information on both current and former member institutions. This directory is available at: https://www.hlcommission.org/Directory-of-HLC-Institutions.html?home

An institution is added to the directory upon award of Candidate for Accreditation status. An institution that voluntarily resigned or had its HLC accreditation withdrawn will be permanently accessible in the database. The SAS includes the following information that is available to the public:

- Institution name
- Institution main address
- Institution’s website homepage
- Previous institutional names (if applicable)
- Current accreditation status (accredited, Candidate, accredited – Probation, accredited – Administrative Probation, accredited – Notice, accredited – Show-Cause, accredited-withdrawal, accredited-withdrawal under appeal, withdrawn, or resigned)
- Date of initial accreditation
- Date of most recent reaffirmation of accreditation and corresponding Action Letter
- Date of next reaffirmation of accreditation
- Dates of any of the following upcoming events: Assurance Review, Interim Report, Focused Visit, comprehensive evaluation, or Comprehensive Quality Review
- Institution control (public, private not-for-profit, private for-profit)
- Degree programs
- Certificate programs
- Additional locations approved by HLC
- Branch campuses approved by HLC

(See EXHIBIT C.20: Sample Statement of Accreditation Status (SAS))

If an institution’s accreditation or Candidate for Accreditation status was withdrawn by the HLC, or if the institution voluntarily resigned its status, the SAS will only display the dates of the accreditation relationship with HLC and include a note describing the circumstances by which the accredited
relationship ceased. (See EXHIBIT C.21: Sample SAS for Resigned Institution)

Biographical Information

The HLC website also includes a list and biographical information for HLC’s senior and principal staff, including the Executive Leadership Team, Vice Presidents for Accreditation Relation, and other Vice Presidents. Similarly, the website also includes the rosters of HLC’s decision-making bodies, including the Institutional Actions Council, the Board of Trustees, and the Appeals Body. For Trustees, HLC’s website includes detailed biographical institution. For members of the Institutional Actions Council and the Appeals Body, HLC provides an overview of each member’s qualifications by virtue of their employment. (See EXHIBIT C.24: HLC Website Biographical Information)

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:
The agency maintains and makes available to the public all of the written materials described and required by this section on the agency's website (Exhibits A.1, B.20, B.26, C.20, and C.24). Department staff verified that the information required by this section is available on the agency's website.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department's review of HLC's adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.23(b)
Description of Criteria

(b) In providing public notice that an institution or program subject to its jurisdiction is being considered for accreditation or preaccreditation, the agency must provide an opportunity for third-party comment concerning the institution's or program's qualifications for accreditation or preaccreditation. At the agency's discretion, third-party comment may be received either in writing or at a public hearing, or both.

Narrative:
HLC allows the public and interested parties to comment on institutions being evaluated by the Commission. (see EXHIBIT A.1: HLC Policy Book, FDCRA.A.10.070, p. 45) HLC maintains a list of upcoming evaluations on its website at all times at https://www.hlcommission.org/Student-Resources/visit-list.html. HLC also allows interested parties to submit a comment regarding an HLC institution, whether it holds or is seeking status, at any time. HLC refers to such as Third-Party Comments. An interested party can submit a comment to HLC, in writing, utilizing the online webform or by mailing a comment to HLC; both options are published on the HLC website.

HLC maintains a clear process for handling any and all Third-Party Comments received. Under this process, all Third-Party comments received by HLC are provided to the peer review team four weeks prior to any comprehensive evaluation. (See EXHIBIT B.22: Third-Party Comment Process) HLC also notifies the peer review team if no comments were received. (ibid)
Under this process, the memo that is provided to the peer review team regarding Third-Party Comments (with the institution copied) becomes part of the evaluation record. Thus, the comments are also provided to the appropriate decision-making body as part of that body's de novo review of the record prior to final action.


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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s policy related to third-party comments provides an opportunity for third-party comment concerning an institution’s qualifications for preaccreditation or accreditation (Exhibit A.1, FDCRA.A.10.070). The third-party comment opportunity is provided on the agency’s website and is available at any time, as verified by Department staff (ED Exhibit 34 - Third-Party Comment _ Student Resources). The third-party comment information includes public notice that an institution subject to its jurisdiction is being considered for accreditation or preaccreditation, and the specific information on when and how to submit any comments to the agency. Third-party comments may be submitted in writing via the mail or through the agency’s website prior to the site visit and are shared with the institution and the site team. The agency provided its process for reviewing third-party comments and examples of third-party comments received and reviewed (Exhibits B.22, E.2, E.3, and E.4). During the virtual file review, Department staff reviewed additional third-party comments received for institutions seeking initial or renewal of accreditation.
Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.23(c)
Description of Criteria

(c) The accrediting agency must--
   (1) Review in a timely, fair, and equitable manner any complaint it receives against an accredited institution or program that is related to the agency’s standards or procedures. The agency may not complete its review and make a decision regarding a complaint unless, in accordance with published procedures, it ensures that the institution or program has sufficient opportunity to provide a response to the complaint;
   (2) Take follow-up action, as necessary, including enforcement action, if necessary, based on the results of its review; and
   (3) Review in a timely, fair, and equitable manner, and apply unbiased judgment to, any complaints against itself and take follow-up action, as appropriate, based on the results of its review.

Narrative:
In January 2020, HLC amended its policy on complaints and revamped its complaints process to better serve constituencies. As required by its policies, HLC maintains a complaints process that ensures the timely and equitable review of any complaints regarding a member institution or HLC itself. (See EXHIBIT A.1: HLC Policy Book, COMM.A.10.30, p. 186) As noted in the policy, HLC accepts complaints from students, faculty and staff, members of the public, etc. at any time. In most cases, complaints regarding a member institution are required to be submitted using the Complaint Form available on the HLC website. The form provides an easy-to-use mechanism for submitting complaints to HLC for review, and also provides HLC with the necessary authorizations for release of information to enable a complete and holistic review of the complaint. HLC does not have any threshold requirements for submission of a complaint; a complaint may be submitted at any time, for any reason. (ibid)
HLC maintains a complaints process that clearly articulates how HLC reviews and responds to complaints. (See EXHIBIT B.23: Complaints Process) As noted in this process document, HLC conducts an unbiased initial review of any complaint received within 30 business days. No later than 30 business days from the date of receipt, HLC will provide the complainant with a letter that explains HLC’s determination upon conclusion of the initial review. This letter will inform the complaint whether (1) further review of the institution is necessary, (2) HLC determined that further review was not necessary, but the complaint will be forwarded to the institution for the institution to follow-up on, or (3) the complaint is not one that is within HLC’s purview or the institution’s scope and, if applicable, should be directed elsewhere. (ibid) Any complaint that, based on the statements and evidence provided by the complainant, raises concerns about an institution’s compliance with HLC standards is provided to the institution for response. If, upon review of that response, concerns regarding institutional compliance remain, the complaint will continue to be reviewed through an appropriate peer review process. (ibid) As noted in the procedure document, at the determination of HLC staff, such further review could include, but is not limited to: a recommendation for an interim report, a recommendation for a focused visit, or the scheduling of an Advisory Visit as discussed under §602.19.

HLC policy also allows institutions, students, and members of the public, to submit a complaint against HLC at any time. (See EXHIBIT A.1: HLC Policy Book, COMM.A.10.030, p. 186) A complainant may submit such to HLC at any time using any reasonable manner. HLC reviews such complaints and provides a response to the complainant within 30 business days of receipt following its written procedure. As noted in the procedure document, HLC conducts a full review of the circumstances underpinning the complaint and provides the complainant with a written summary of that review. (EXHIBIT B.23: Complaints Process)

Under HLC procedure, HLC creates an annual complaints report that provides a summary of complaints received and provides this report to the Board of Trustees for review. (See EXHIBIT G.9: 2020 Complaints Report)

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section
Analyst Remarks to Narrative:

The agency has policies and procedures for receiving and processing complaints against its programs and itself (Exhibit A.1, COMM.A.10.30). HLC’s policy describes the purpose of the review of complaints, defines the types of complaints it will not review, and any other limitations of the complaint review process. The agency’s process provides clear instructions in answering the complaint and defines each step of the process (Exhibit B.23). HLC provided its annual complaints report which provides a summary of all complaints received in 2020 (Exhibit G.9).

On September 8, 2021, Department staff initiated an inquiry into a complaint filed by an institution on August 6, 2021, that among the allegations, HLC did not review in a timely, fair, and equitable manner a complaint against itself. On November 3, 2021, after a review of information and documentation provided by HLC, Department staff found HLC in compliance with Section 602.23(c)(3) and its own policies and procedures (ED Exhibit 2 - OPE Response to HLC Gellman-Danley_Redacted). Although not technically a regulatory requirement, Department staff found that HLC should have provided a resolution letter to the complainant as there is no other way for a complainant to observe HLC’s compliance with its complaint policies and procedures, including the review of the complaint in a timely, fair, and equitable manner.

During the virtual file review, Department staff reviewed the review and resolution to eight complaints against itself and 27 complaints against institutions.

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.23(d)
Description of Criteria
(d) If an institution or program elects to make a public disclosure of its accreditation or preaccreditation status, the agency must ensure that the institution or program discloses that status accurately, including the specific academic or instructional programs covered by that status and the name and contact information for the agency.

Narrative:
HLC maintains several policies that require an institution to provide accurate disclosures regarding its status. Overall, there are two prongs to these requirements – those related to mandatory disclosure and those related to discretionary disclosures.

HLC mandates that the institution publishes an accurate statement of its status with HLC. Specifically, HLC’s Obligations of Membership provide the mandatory disclosure requirement. Obligation of Membership #11 requires that “the institution portrays its accreditation status with the Commission clearly to the public, including the status of its branch campuses and related entities. The institution posts the electronic version of the Commission’s Mark of Accreditation Status in at least one place on its website, linking users directly to the institution’s status on the Commission’s website.” Thus, at a minimum, HLC requires that the institution accurately disclose its status with HLC by posting the Mark of Accreditation Status on its website. The Mark of Accreditation Status is a web-based tool that provides an unalterable display of the institution’s accreditation status, links to the institution’s SAS, and provides HLC’s contact information. (See EXHIBIT D.18: Sample Mark of Accreditation Status and EXHIBIT C.20: Sample Statement of Accreditation Status)

HLC policy also applies to discretionary statements of status made by the institution. First, Eligibility Requirement #7 requires that: “The institution portrays clearly and accurately to the public its accreditation status with national, specialized, and professional accreditation agencies as well as with the Higher Learning Commission.” (See EXHIBIT A.1, HLC Policy Book, CRRT.A.10.010, p. 181) Second, Assumed Practice A.7 reiterates this requirement; the Assumed Practice requires that “[t]he institution portrays clearly and accurately to the public its current status with the Higher Learning Commission and with specialized, national, and professional accreditation agencies.” (ibid, CRRT.B.10.020, p. 24) Third, policy states, “[i]f the institution chooses to reference its accreditation status in advertising and recruiting materials or other document or location, such as its website, that disclosure will accurately explain its status with the Commission and the academic programs, locations and other institutional activities included in its accreditation. The institution will accompany any reference to accreditation status with information on how to contact the Commission. It shall provide the Commission’s address and telephone number, or it may use the Commission’s website address in lieu of this information. Electronic materials shall use the Commission’s collective membership mark.” (ibid, FDCR.A.10.070, p. 45) As stated in this policy, any statement by an institution as to its status with HLC must be accompanied with HLC’s contact information.

Collectively, these policies require an institution to provide accurate disclosures regarding its accreditation status and to provide HLC’s contact information with such disclosures.

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The agency's public disclosure policies are clear, comprehensive, and specific to the requirements of this section (Exhibit A.1, INST.B.30.020). Within the Obligations of Membership, the agency requires the public disclosure of an institution’s status with HLC using agency-developed language and token, which links to the institution’s status on the HLC website (Exhibits C.20 and Recompiled EXHIBIT D.18). HLC has further standards and policies regarding public disclosure and the review of those disclosures by the agency within its Assumed Practices, Eligibility Requirements, and Federal Compliance Requirements (Exhibit A.1, CRRT.A.10.010, CRRT.B.10.020, and FDCR.A.10.070).

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response

Analyst Review Status:

Criteria: 602.23(e)
Description of Criteria
(e) The accrediting agency must provide for the public correction of incorrect or misleading information an accredited or preaccredited institution or program releases about—

(1) The accreditation or preaccreditation status of the institution or program;
(2) The contents of reports of on-site reviews; and
(3) The agency’s accrediting or preaccrediting actions with respect to the institution or program.

Narrative:
As described under §602.23(d), HLC requires that institutions publish accurate information. The publication of inaccurate information is contrary to HLC policy and can lead to formal action regarding an institution’s status, as set forth under §602.20. Separately, HLC policy provides that HLC may issue a public statement to correct any inaccurate statement made by an institution with respect to its relationship with HLC; this includes, for example, information with respect to its status with HLC. (See EXHIBIT A.1: HLC Policy Book, INST.G.10.010, p. 172)

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s standards and policies are clear and require the disclosure of only accurate information (Exhibit A.1, INST.B.30.020, CRRT.A.10.010, CRRT.B.10.020, and FDCR.A.10.070). The agency also has a policy that provides HLC the ability to issue a public statement to correct any inaccurate statement made by an institution with respect to its relationship with HLC (Exhibit A.1, INST.G.10.010).

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.
Criteria: 602.23(f)

Description of Criteria

(f) If preaccreditation is offered—
(i) The agency’s preaccreditation policies must limit the status to institutions or programs that the agency has determined are likely to succeed in obtaining accreditation;
(ii) The agency must require all preaccredited institutions to have a teach-out plan, which must ensure students completing the teach-out would meet curricular requirements for professional licensure or certification, if any, and which must 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;
(iii) An agency that denies accreditation to an institution it has preaccredited may maintain the institution’s preaccreditation for currently enrolled students until the institution has had a reasonable time to complete the activities in its teach-out plan to assist students in transferring or completing their programs, but for no more than 120 days unless approved by the agency for good cause; and
(iv) The agency may not move an accredited institution or program from accredited to preaccredited status unless, following the loss of accreditation, the institution or program applies for initial accreditation and is awarded preaccreditation status under the new application. Institutions that participated in the title IV, HEA programs before the loss of accreditation are subject to the requirements of 34 CFR 600.11(c).

(2) All credits and degrees earned and issued by an institution or program holding preaccreditation from a nationally recognized agency are considered by the Secretary to be from an accredited institution or program.

Narrative:
HLC policy requires that, in order to receive Candidate for Accreditation status, an institution must meet HLC’s Eligibility Requirements, Assumed Practices, and the Federal Compliance Requirements. Additionally, the institution must demonstrate that it possesses the capacity to meet the Criteria for Accreditation within the candidacy period, typically four years. (See EXHIBIT A.1: HLC Policy Book, INST.B.20.020, p. 74) An institution that has not demonstrated a reasonable capacity to meet the
Criteria for Accreditation within the Candidacy period will not be awarded Candidate status. (ibid)

Policy further requires that any institution that receives Candidate for Accreditation status must file a Provisional Plan, which must include teach-out arrangements, within a reasonable period following the award of status. (See EXHIBIT A.1: HLC Policy Book, FDCR.B.10.010, p. 51) The institution’s Provisional Plan must comport with HLC’s policy on Provisional Plans and provide for the equitable ability of enrolled students to complete their programs in the event of institutional closure in light of the denial of Initial Accreditation, including those programs that lead to licensure or other professional certification. (ibid) HLC’s policies and procedures on Provisional Plans (which includes teach-out arrangements) are discussed in further detail under §602.24(c).

Under HLC policy, an adverse action, including an action to withdraw Candidate for Accreditation status, shall only be effective at an end of an institution’s term, in order to provide the most reasonable and equitable period for the implementation of a Provisional Plan. (ibid, INST.E.60.010, p. 133 and EXHIBIT B.24: Provisional Plan and Teach-Out Procedure) Under no circumstance would the end of an institution’s term be more than 120 days from the date of action.

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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency has policies and procedures related to preaccreditation ("Candidate for Accreditation") to address the requirements of this section. Prior to obtaining preaccreditation, HLC requires an institution to meet all Assumed Practices, Eligibility Requirements, and Federal Compliance Requirements and demonstrate that it can meet the agency’s standards within four years (Exhibit A.1, INST.B.20.020). The agency also requires an institution to provide a teach-out plan ("Provisional Plan") once it were to be granted preaccreditation, which must 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 (Exhibit A.1, FDCR.B.10.010). Should HLC deny accreditation to a preaccredited institution, the effective date of the denial will be at the end of the academic term, but no more than 120 days from the date of the action (Exhibit A.1, INST.E.60.010). During the virtual file review, the agency confirmed that it removed any allowance for an accredited institution to move to
preaccredited status in 2019. Department staff reviewed one preaccreditation review during the virtual file review.

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet- Response
Analyst Review Status:

Criteria: 602.23(g)
Description of Criteria

(g) The agency may establish any additional operating procedures it deems appropriate. At the agency’s discretion, these may include unannounced inspections.

Narrative:
HLC maintains a plethora of processes and procedures deemed necessary to carry out effective accreditation and quality assurance activities. Institutional procedure documents are published on HLC’s website. Additionally, HLC will make all of its processes and procedures available during the Department’s on-site visit.

Document(s) for this Section

No files uploaded

Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:
This section of the criteria provides for agency discretion of operating procedures and does not require a response. HLC stated that it has established additional operating procedures, which are published on its website and are available to Department staff. HLC did not state if it conducts unannounced inspections.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section. HLC wishes to clarify and confirm that while its policies do not allow for “unannounced inspections,” HLC’s policy on Special Monitoring affords that the HLC President may require an institution host an onsite evaluation at the president’s determination based on information received or reviewed by HLC. (EXHIBIT I.1: HLC Policy Book, June 2022, INST.F.20.010, p. 147) Out of its commitment to due process, however, HLC requires that an institution have notice of an Advisory Visit and at least 30 days to prepare a report related to the areas of focus that led to the visit. These visits, while not “unannounced,” are nonetheless short-notice visits that can be utilized when deemed appropriate by HLC.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.24(a)
Description of Criteria

If the agency is an institutional accrediting agency and its accreditation or preaccreditation enables those institutions to obtain eligibility to participate in title IV, HEA programs, the agency must demonstrate that it has established and uses all of the following procedures:

(a) Branch campus.
The agency must require the institution to notify the agency if it plans to establish a branch campus and to submit a business plan for the branch campus that describes—
   (1) The educational program to be offered at the branch campus; and
   (2) The projected revenues and expenditures and cash flow at the branch campus.

Narrative:
HLC considers the establishment of a branch campus as a type of change that requires prior review and approval by HLC prior to the institution opening the campus. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.040, p. 155) Review of an application for a new branch campus follows the same procedures discussed under §602.22. The process begins with the submission of an application for a new branch campus. (See EXHIBIT B.19: Substantive Change Manual) As noted on the application form, an institution is required to submit supporting evidence with the application, including a business plan that describes the programs to be offered at the campus, and financial information as to the revenue and expenses at both the campus and the institution as a whole. (ibid; see also EXHIBIT D.16: Substantive Change Application Forms and EXHIBIT D.17 Substantive Change Review Materials)

The case study of a branch campus application and review demonstrates compliance with this section. (See EXHIBIT E.11: Substantive Change Case Studies, EXHIBIT D.16: Substantive Change Application Forms, and EXHIBIT D.17: Substantive Change Review Materials)

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Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's written policies and procedures require an institution submit an application to establish a branch campus that includes the information required by this section (Exhibit A.1, INST.F.20.040 and INST.F.20.050). HLC provided its substantive change manual and forms to demonstrate the requirement to provide a business plan (Exhibits B.19 and D.16). During the file review, Department staff reviewed examples of applications for and approvals of branch campuses to demonstrate implementation of its policies and procedures (ED Exhibit 23 - 1784 20190227 Desk Review - Change Request_Redacted and ED Exhibit 24 - 1784 20190607 Desk Review - Action Letter_Redacted).

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.24(b)
Description of Criteria

(b) Site visits.
The agency must undertake a site visit to a new branch campus or following a change of ownership or control as soon as practicable, but no later than six months, after the establishment of that campus or the change of ownership or control.
HLC policy requires that a site visit, known as a Campus Evaluation Visit, occur to a new branch campus within six months of the matriculation of students at the campus. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.060, p. 164 and EXHIBIT B.19: Substantive Change Manual)

HLC policy also requires that a site visit occur to an institution no later than six months after the consummation of a transaction subject to HLC’s policy on Change of Control, Structure or Organization. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.080, p. 170, EXHIBIT B.20: Change of Control, Structure or Organization Procedure, and EXHIBIT E.10: Change of Control Case Study) As noted under §602.22, HLC’s policy on Change of Control, Structure or Organization includes those transactions defined by federal regulation as a change in control or a change in ownership.

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s written policies and procedures require an institution that has established a branch campus or undergone a change of ownership or control submit to a site visit within six months (Exhibit A.1, INST.F.20.050 and INST.F.20.080). HLC provided its substantive change manual to demonstrate the requirement to conduct a site visit (Exhibit B.19). HLC did not provide documentation to demonstrate that it conducts a site visit within six months to an institution that has undergone a change of ownership or control or a branch campus. During the virtual file review, Department staff reviewed examples of site visits to branch campuses and institutions that have undergone a change of ownership or control (ED Exhibit 25 - 1784 20200128 Campus Evaluation Visit - Reviewer Analysis, ED Exhibit 26 - 1784 20200320 Campus Evaluation Visit - Action Letter_Redacted, ED Exhibit 28 - 1784 20190610 Focused Visit - Team Report_Redacted, and ED Exhibit 29 - 1784 20190802 Focused Visit - Action Letter_Redacted).

List of Document(s) Uploaded by Analyst - Narrative
HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.24(c)(1-2)
Description of Criteria

(c) **Teach-out plans and agreements.**

(1) The agency must require an institution it accredits to submit a teach-out plan as defined in 34 CFR 600.2 to the agency for approval upon the occurrence of any of the following events:
   (i) For a nonprofit or proprietary institution, the Secretary notifies the agency 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.
   (ii) The agency acts to place the institution on probation or equivalent status.
   (iii) The Secretary notifies the agency that the institution is participating in title IV, HEA programs under a provisional program participation agreement and the Secretary has required a teach-out plan as a condition of participation.

(2) The agency must require an institution it accredits or preaccredits to submit a teach-out plan and, if practicable, teach-out agreements (as defined in 34 CFR 600.2) to the agency for approval upon the occurrence of any of the following events:
(i) The Secretary notifies the agency 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).

(ii) The Secretary notifies the agency 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.

(iii) The agency acts to withdraw, terminate, or suspend the accreditation or preaccreditation of the institution.

(iv) The institution notifies the agency that it intends to cease operations entirely or close a location that provides one hundred percent of at least one program, including if the location is being moved and is considered by the Secretary to be a closed school.

(v) A State licensing or authorizing agency notifies the agency that an institution's license or legal authorization to provide an educational program has been or will be revoked.

Narrative:
In anticipation of the effective date of the current regulations, HLC overhauled its Provisional Plan policies and procedures. As defined in HLC's glossary, which is available on its website, a Provisional Plan is defined as:

A plan that details the arrangements an institution makes for students when it intends to cease operating as an educational institution or when it undergoes other circumstances that require a Teach-Out Agreement. If the institution is closing entirely or closing campus(es) or additional location(s), and it has students in academic programs at that location, then the Provisional Plan will need to include arrangements for teaching out of those students so that they can complete their academic program. If the institution is prepared to stay open or keep the branch campus(es) or additional location(s) open and if it will continue to have sufficient resources, it may teach out those students that are within one year of graduation and assist other students in transferring to other institutions. If it does not have sufficient resources to accommodate current students through graduation or transfer, it must have a teach-out agreement with another accredited institution to be the teach-out receiving institution."

Under this definition, HLC's use of 'Provisional Plan' comports with that of the Department's understanding of a "Teach-Out Plan."

Under this definition, a teach-out agreement, is often a required part of a Provisional Plan. A Teach-Out agreement, however, is not synonymous with a Provisional Plan. As defined by HLC's glossary, a Teach-Out Agreement is:

An agreement made between the institution required to teach-out students and each teach-out receiving institution identified in the former institution's Provisional Plan. Teach-out agreements are required as part of a Provisional Plan for certain situations as described in HLC policy. The institution required to teach-out students should ensure that the teach-out agreement is binding as a written contract or letter of agreement with the teach-out receiving institution. The agreement should be
detailed about the obligations being undertaken by each party and should be signed by an appropriate 
authorized representative of each institution. A teach-out agreement is with one or more institutions 
nearby or online that have the same academic programs to provide courses to those students who can 
reasonably complete their academic programs within no more than one year from the date the 
institution that is required to teach-out students closes.

As noted in HLC policy FDCR.B.10.010, Commission Approval of Institutional Teach-Out 
Arrangements, an institution is required to submit a Provisional Plan to HLC for review and approval in 
the following situations:

• the U.S. Department of Education notifies the Commission of an emergency action, or a limitation, 
suspension or termination or similar action against the institution;
• the U.S. Department of Education notifies the Commission of a determination by a non-profit or 
proprietary institution’s independent auditor expressing doubt regarding the institution’s ability to 
operate as a going concern or indicating an adverse opinion or a finding of material weakness related to 
such institution’s financial stability;
• the U.S. Department of Education notifies the Commission that the institution is participating in Title 
IV, HEA programs under a provisional program participation agreement and is required to have a teach- 
out plan as a condition of participation;
• the U.S. Department of Education notifies the Commission that it has placed the institution on the 
reimbursement payment method or heightened cash monitoring payment method under federal 
regulations;
• the Commission grants candidacy to an institution or places an institution on Probation or issues a 
Show-Cause Order or acts to withdraw, terminate or suspend the status of an institution;
• the institution notifies the Commission that it intends to cease or suspend operations entirely or 
permanently close an additional location where it offers at least 100% of either a Certificate or degree 
program before all students have completed their program of study, including if the additional location 
is being moved and is considered by the U.S. Department of Education to be a closed institution;
• a state licensing or authorizing agency notifies the Commission that an institution’s license or legal 
authorization to provide an educational program in that state has been or will be revoked;
• Commission staff determines in its sole discretion that closure or suspension of one or more academic 
programs at an institution raises concerns about the well-being of students in these programs; or 
• Commission staff determines that the institution is at risk for a sudden closure or suspension of its 
operations because it is in financial distress, under governmental investigation, undergoing Change of 
Control, Structure or Organization, or facing other significant challenges. (See EXHIBIT A.1: HLC Policy 
Book, FDCR.B.10.010, p. 51)

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Analyst Worksheet- Narrative
Analyst Review Status:
Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's teach-out plan policies and procedures include the submission of a teach-out plan in response to the specific events required by this section and a teach-out agreement, if practicable (Exhibits A.1, FDCR.B.10.010 and B.24). HLC provided an example to demonstrate that it requires the submission of a teach-out plan and, if practicable, teach-out agreement for the events required by this section (Exhibit E.13). During the virtual file review, Department staff reviewed additional examples of teach-out plans and agreements.

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Response:

HLC appreciates the thoroughness of the Department's review of HLC's adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.24(c)(3)
Description of Criteria

(3) The agency must evaluate the teach-out plan to ensure it includes a list of currently enrolled students, 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.

Narrative:
Under the same HLC policy, any Provisional Plan submitted to HLC for review and approval must contain:

• a complete list of currently enrolled students (redacting personally identifiable information) in each affected program at the institution, and the program requirements each student has completed;
• a complete list of the academic programs offered by the institution, and the names of other institutions that offer similar programs that could potentially enter into a Teach-Out Agreement with the institution;
• a communication plan that provides all potentially eligible students with information about how to obtain a closed school discharge and, if applicable, information on state refund policies;
• 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);
• information on the number and types of credits any teach-out receiving institution is willing to accept prior to the student’s enrollment; and
• a clear statement to students of the tuition and fees of the educational program and the number of types of credits that will be accepted by each teach-out receiving institution. (See EXHIBIT A.1: HLC Policy Book, FDCR.B.10.010, p. 51)

Furthermore, under the policy, a teach-out agreement is required when the institution must rely on the assistance of one or more institutions to complete the Provisional Plan (“teach-out receiving institutions”). In order to be a valid teach-out receiving institution, the institution must be accredited by an agency recognized by the U.S. Department of Education and, where appropriate, eligible for Title IV financial aid. The teach-out receiving institution must also:
• be approved by an appropriate state higher education and accrediting agency to offer the programs offered by the institution closing or suspending operations;
• have the necessary experience, resources and support services to provide an educational program that is of acceptable quality and reasonably similar in content, structure and scheduling (which includes reference to the delivery modality) to that provided by the institution closing or ceasing operations;
• demonstrate that it can provide students access to such programs and services without requiring them to move or travel substantial distances; and
• be stable, carrying out its mission and meeting all obligations to its existing students. (ibid)

Under policy, an institution affected by circumstances that would require it to submit a Provisional Plan under HLC policy, or that is under investigation, or being prosecuted for an issue related to academic quality, misrepresentation, fraud, or other severe matters by a law enforcement agency is not eligible to serve as a teach-out receiving institution. Additionally, HLC also reserves the right to disqualify any potential teach-out receiving institution based on other risk factors it identifies. (ibid)

Further, when a teach-out agreement is required, the agreement must:

• contain an affirmation that it is consistent with all applicable state and federal regulations;
• be fair and equitable to students and provide students with reasonable opportunities to complete their education without additional charges and include a notification provision to ensure that students have complete information about the tuition and fees of the teach-out receiving institution;
• include a live link to a downloadable copy of the applicable Provisional Plan and a commitment from a teach-out receiving institution to be familiar with the requirements of the Provisional Plan;
• contemplate (a) a firm commitment to a specific list of students who are currently enrolled in one or more programs at the institution requiring the teach-out receiving institution’s assistance and (b) the program requirements such students have completed;
• include 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;
• include information on the number and types of credits the teach-out receiving institution is willing to accept prior to each student’s enrollment; and
• make 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 receiving institution. (ibid)
HLC maintains a comprehensive procedure related to its requirements for Provisional Plans and Teach Outs. Under its procedure, any Provisional Plan that does not meet the requirements noted above will be rejected, and the institution will be required to resubmit the application. (See EXHIBIT B.24: Provisional Plan and Teach Out Procedure)

As noted in the procedure, HLC requires that an institution submit to HLC, as part of its Provisional Plan, drafts of its related disclosures related to its Provisional Plan, prior to the sending of such notifications to constituencies, as well as any teach-out agreements. (ibid, p. 5-6)

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Analyst Worksheet - Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s teach-out plan policies and procedures require the submission of a list of currently enrolled students, 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 (Exhibits A.1, FDCR.B.10.010 and B.24). HLC provided documentation to demonstrate that it evaluates the teach-out plan for the elements required by this section (Exhibit E.13). During the virtual file review, Department staff reviewed additional examples of teach-out plans.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section

Analyst Worksheet - Response
Criteria: 602.24(c)(4)
Description of Criteria

(4) If the agency approves a teach-out plan that includes a program or institution that is accredited by another recognized accrediting agency, it must notify that accrediting agency of its approval.

Narrative:
In accordance with HLC policies and procedures discussed in further detail under §602.26, HLC requires that all final actions of a decision-making body be communicated to institutions, the public, and other agencies. (See EXHIBIT A.1: HLC Policy Book, COMM.A.10.010, p. 181) Related solely to the approval or denial of a Provisional Plan, HLC notifies all such stakeholders, including all other accrediting agencies recognized by the U.S. Department of Education within 30 days of the action. (See EXHIBIT B.24: Provisional Plan and Teach Out Procedure and EXHIBIT H.1: Copy of Teach-Out Notification)

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's policies require HLC to notify recognized accrediting agencies of any final action (Exhibit A.1, COMM.A.10.010). HLC provided its teach-out procedures that require, if HLC approves a teach-out plan that includes an institution or program that is accredited by another recognized accrediting agency, HLC will notify that accrediting agency of approval of the teach-out plan, as required by this section.
The agency provided documentation of such notification in the petition (Exhibit H.1) and during the virtual file review.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.24(c)(5-6)
Description of Criteria

(5) The agency may require an institution it accredits or preaccredits to enter into a teach-out agreement as part of its teach-out plan.
(6) The agency must require a closing institution to include in its teach-out agreement—
   (i) A complete list of students currently enrolled in each program at the institution and the program requirements each student has completed;
   (ii) 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;
   (iii) 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);
   (iv) Information on the number and types of credits the teach-out institution is willing to accept prior to the student's enrollment; and
   (v) 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.

Narrative:
As noted earlier, when a teach-out agreement is required, including in the event of institutional closure, the agreement must:
• contain an affirmation that it is consistent with all applicable state and federal regulations;
• be fair and equitable to students and provide students with reasonable opportunities to complete their education without additional charges and include a notification provision to ensure that students have complete information about the tuition and fees of the teach-out receiving institution;
• include a live link to a downloadable copy of the applicable Provisional Plan and a commitment from a teach-out receiving institution to be familiar with the requirements of the Provisional Plan;
• contemplate (a) a firm commitment to a specific list of students who are currently enrolled in one or more programs at the institution requiring the teach-out receiving institution’s assistance and (b) the program requirements such students have completed;
• include 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;
• include information on the number and types of credits the teach-out receiving institution is willing to accept prior to each student’s enrollment; and
• make 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 receiving institution. (See EXHIBIT A.1: HLC Policy Book, FDCR.B.10.010, p. 51)

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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's teach-out plan policies and procedures require the submission of a teach-out agreement when specific events occur and require of the elements included in this section when a teach-out agreement is implemented (Exhibits A.1, FDCR.B.10.010 and B.24). HLC provided documentation to demonstrate that it requires the submission of a teach-out agreement and reviews it for the elements required by this section (Exhibits E.13 and Supplement to EXHIBIT E.13). During the virtual file review, Department staff reviewed additional examples of teach-out agreements.

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HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.24(c)(7-10)
Description of Criteria

(7) The agency must require an institution it accredits or preaccredits that enters into a teach-out agreement, either on its own or at the request of the agency, to submit that teachout agreement for approval. The agency may approve the teachout agreement only if the agreement meets the requirements of 34 CFR 600.2 and this section, is consistent with applicable standards and regulations, and provides for the equitable treatment of students being served by ensuring that the teachout institution—

(i) Has 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;

(ii) Has the capacity to carry out its mission and meet all obligations to existing students; and

(iii) Demonstrates that it—

(A) Can provide students access to the program and services without requiring them to move or travel for substantial distances or durations; and

(B) Will provide students with information about additional charges, if any.

(8) Irrespective of any teach-out plan or signed teach-out agreement, the agency must not permit an institution to serve as a teach-out institution under the following conditions:

(i) The institution is subject to the conditions in paragraph (c)(1) or (2) of this section.
(ii) The institution 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.

(9) The agency is permitted to waive requirements regarding the percentage of credits that must be earned by a student at the institution awarding the educational credential if the student is completing his or her program through a written teach-out agreement or transfer.

(10) The agency must require the institution to provide 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.

Narrative:
Under HLC policy, a teach-out agreement is required when the institution must rely on the assistance of one or more institutions to complete the Provisional Plan ("teach-out receiving institutions"). In order to be a valid teach-out receiving institution, the institution must be accredited by an agency recognized by the U.S. Department of Education and, where appropriate, eligible for Title IV financial aid. The teach-out receiving institution must also:

- be approved by an appropriate state higher education and accrediting agency to offer the programs offered by the institution closing or suspending operations;
- have the necessary experience, resources and support services to provide an educational program that is of acceptable quality and reasonably similar in content, structure and scheduling (which includes reference to the delivery modality) to that provided by the institution closing or ceasing operations;
- demonstrate that it can provide students access to such programs and services without requiring them to move or travel substantial distances; and
- be stable, carrying out its mission and meeting all obligations to its existing students. (See EXHIBIT A.1: HLC Policy Book, FDCR.B.10.010, p. 51)

Under policy, an institution affected by circumstances that would require it to submit a Provisional Plan under HLC policy, or that is under investigation, or being prosecuted for an issue related to academic quality, misrepresentation, fraud, or other severe matters by a law enforcement agency is not eligible to serve as a teach-out receiving institution. Additionally, HLC also reserves the right to disqualify any potential teach-out receiving institution based on other risk factors it identifies. (ibid)

Further, when a teach-out agreement is required, the agreement must:

- contain an affirmation that it is consistent with all applicable state and federal regulations;
- be fair and equitable to students and provide students with reasonable opportunities to complete their education without additional charges and include a notification provision to ensure that students have complete information about the tuition and fees of the teach-out receiving institution;
- include a live link to a downloadable copy of the applicable Provisional Plan and a commitment from a teach-out receiving institution to be familiar with the requirements of the Provisional Plan;
- contemplate (a) a firm commitment to a specific list of students who are currently enrolled in one or more programs at the institution requiring the teach-out receiving institution's assistance and (b) the program requirements such students have completed;
- include 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;
• include information on the number and types of credits the teach-out receiving institution is willing to accept prior to each student’s enrollment; and
• make 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 receiving institution. (ibid)

HLC maintains a comprehensive procedure related to its requirements for Provisional Plans and Teach Outs. Under its procedure, any Provisional Plan that does not meet the requirements noted above will be rejected, and the institution will be required to resubmit the application. (See EXHIBIT B.24: Provisional Plan and Teach Out Procedure)

As noted in the procedure, HLC requires that an institution submit to HLC, as part of its Provisional Plan, drafts of its related disclosures related to its Provisional Plan, prior to the sending of such notifications to constituencies, as well as any teach-out agreements. (ibid, p. 5-6)

While HLC’s Assumed Practice A.5 requires that an institution (a) have a policy on residency requirements and (b) make that policy readily available to students and the public, HLC does not mandate specific residency requirements. (See EXHIBIT A.1: HLC Policy Book, INST.B.10.020, p. 68) An institution is able, in accordance with its policies and procedures, to establish waivers of its residency requirements when participating in a teach-out agreement.

Overall, HLC policy requires the submission of a Provisional Plan and applicable teach-out agreements in all areas required by this section. HLC procedure provides an effective mechanism for processing and reviewing such plans. For a case study demonstrating HLC’s Provisional Plan policies and procedures, see EXHIBIT E.13: Sample Provisional Plan Case Study. In 2020, as part of HLC’s ongoing grant with the Lumina Foundation, HLC published the Teach-Out Toolkit, which provides institutions with valuable information on teach-out arrangements. This Toolkit is available to institutions on the HLC website and provides information on how institutions can create equitable teach-out arrangements that effectively serve students. (See EXHIBIT G.1: HLC Lumina Grants Overview and EXHIBIT G.10: HLC Teach-out Toolkit)

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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's teach-out agreement policies and procedures state that the agency will review and approve a teach-out agreement that meets the requirements of this section, to include the equitable treatment of students (Exhibits A.1, FDCR.B.10.010; and B.24). HLC also states that a proposed teach-out institution must be accredited by a recognized agency and the institution cannot be under investigation, subject to an action, or being prosecuted for the issues noted in this section nor can the institution itself be subject to a teach-out plan. The agency provided its teach-out procedures to demonstrate that it reviews copies of all notifications from the institution related to teach-out options to ensure accurate representation (Exhibit B.24). HLC also provided a teach-out toolkit that is a resource for any institution contemplating a teach-out or closure as it provides specific and detailed instruction on what information and documentation is necessary in terms of a teach-out plan to be submitted (Exhibit G.10).

HLC provided an example of a teach-out agreement that demonstrates implementation of its review and approval policies regarding teach-out agreements (Exhibit E.13 and Supplement to EXHIBIT E.13). During the virtual file review, Department staff reviewed additional examples of teach-out agreements.

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Response:

HLC appreciates the thoroughness of the Department's review of HLC's adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response

Analyst Review Status:

Criteria: 602.24(d)

Description of Criteria

(d) Closed institution. If an institution the agency accredits or preaccredits closes without a teach-out plan or agreement, the agency must work with the Department
and the appropriate State agency, to the extent feasible, to assist students in finding reasonable opportunities to complete their education without additional charges.

Narrative:
HLC policy requires that an institution submit a Provisional Plan as set forth under §602.24(c). As stated in policy, if an institution fails to comply with the Provisional Plan requirements, it may be subject to sanction by HLC for noncompliance under its standards. (See EXHIBIT A.1: HLC Policy Book, FDCR.B.10.010, p.51)

If an institution fails to submit a required Provisional Plan and has ceased operations (thereby terminating its membership with HLC), HLC policy provides that “the Commission shall work with the U.S. Department of Education, the appropriate state agency, if any, and any applicable programmatic . . . to the extent feasible, to assist students in finding reasonable opportunities to complete their education without additional charges.” (ibid) This policy demonstrates HLC’s adherence to the requirements of this section.

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency has a closed institution policy that requires the agency to work with the Department and appropriate State agencies to assist students affected by the closure of an institution without a teach-out plan or agreement in place (Exhibit A.1, FDCR.B.10.010).

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.
Criteria: 602.24(e)  
Description of Criteria

(e) Transfer of credit policies. The accrediting agency must confirm, as part of its review for initial accreditation or preaccreditation, or renewal of accreditation, that the institution has transfer of credit policies that—

(1) Are publicly disclosed in accordance with § 668.43(a)(11); and
(2) Include a statement of the criteria established by the institution regarding the transfer of credit earned at another institution of higher education.

(Note: This criterion requires an accrediting agency to confirm that an institution's teach-out policies are in conformance with §668.43(a)(11), which reads:

'A description of the transfer of credit policies established by the institution, which must include a statement of the institution's current transfer of credit policies that includes, at a minimum —

(i) Any established criteria the institution uses regarding the transfer of credit earned at another institution and any types of institutions or sources from which the institution will not accept credits;
(ii) A list of institutions with which the institution has established an articulation agreement; and
(iii) Written criteria used to evaluate and award credit for prior learning experience including, but not limited to, service in the armed forces, paid or unpaid employment, or other demonstrated competency or learning")

Narrative:
In addition to disclosure requirements related to an institution's residency requirements, Assumed Practice A.5 also requires that an institution maintain and publish its transfer policies. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.020, p. 24) As stated under the Assumed Practice, an institution must make publicly available "its policies on acceptance of transfer credit, including how the institution applies such credit to its degree requirements. (Except for courses articulated through transfer policies or institutional agreements, the institution makes no promises to prospective students regarding the acceptance of credit awarded by examination, credit for prior learning, or credit for transfer until the institution has conducted an evaluation of such students' credits in accordance with its transfer policies.)" (Ibid) Under this policy, an institution is required to disclose its transfer policies and clearly explain and publish the criteria used to assess transferred credit.

Further, publication of transfer policies and of the criteria used to evaluative transfer of credit is part of
HLC’s federal compliance program. HLC Policy FDCR.A.10.040 reiterates the requirement that an institution have appropriate policies as required under this section and publish them. Compliance with this requirement is reviewed during a comprehensive evaluation for reaffirmation of accreditation. (ibid, p. 40)


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Analyst Worksheet- Narrative

Analyst Review Status:

Does not meet the requirements of this section

Staff Determination:

The agency’s transfer of credit policies do not include all the review elements required by this section.

Analyst Remarks to Narrative:

The agency’s Assumed Practices require an institution to publicly disclose its transfer of credit policy to include the applicability to degree requirements (Exhibit A.1, CRRT.B.10.020). The agency’s policies
require an institution to disclose its established criteria regarding the transfer of credit earned at another institution and a list of institutions or programs with which the institution has established articulation agreements to receive and send credit (Exhibit A.1, FDCR.A.10.040). However, the agency’s policies do not appear to require the public disclosure of any types of institutions or sources from which the institution will not accept credits nor the written criteria used to evaluate and award credit for prior learning experience including, but not limited to, service in the armed forces, paid or unpaid employment, or other demonstrated competency or learning, as required by 34 C.F.R. §668.43(a)(11).

The examples provided in the petition and during the virtual file review demonstrate that the agency evaluates its institutions regarding the public disclosure of its transfer of credit policy, but do not demonstrate that it requires the specific disclosures required by this section (Exhibits E.2, E.3, and E.4).

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC does not dispute that, at the time of the file review, HLC policy did not explicitly quote the regulatory language required by the phrase “in accordance with § 668.43(a)(11)” as referenced in this section related to transfer of credit disclosures. As confirmed by the Draft Analysis, however, HLC otherwise met the requirements of this section.

In June 2022, HLC adopted policy revisions that serve to explicitly address all the requirements of this section. (SEE EXHIBIT I.6: Adopted Policy on Publication of Transfer Policies) These policy revisions were effective immediately.

With these revisions, HLC policy now explicitly requires that an institution disclose, at a minimum:

• Any established criteria the institution uses regarding the transfer of credit earned at another institution and any types of institutions or sources from which the institution will not accept credits;
• A list of institutions with which the institution has established an articulation agreement; and
• Written criteria used to evaluate and award credit for prior learning experience including, but not limited to, service in the armed forces, paid or unpaid employment, or other demonstrated competency or learning. (SEE EXHIBIT I.1: HLC Policy Book, FDCR.A.10.040, Publication of Transfer Policies, p. 34)

As explained in HLC’s initial petition for continued recognition, in order to ensure compliance with this policy, HLC reviews an institution’s publications of its transfer policies and procedures during a comprehensive evaluation or any other evaluation that requires a Federal Compliance Filing. To that effect, HLC also revised the Federal Compliance Filing to ensure that an institution provides appropriate evidence that it publishes transfer policies in accordance with this policy. (SEE EXHIBIT I.7: 2022 Federal Compliance Overview, EXHIBIT J.5: 2022 Federal Compliance Filing Template, and EXHIBIT J.6: Sample Federal Compliance Filing)

With these revisions and related changes to HLC’s Federal Compliance Filing, HLC fully meets the requirements of § 602.24(e). HLC’s Federal Compliance Filing provides an effective means for ensuring that an institution maintains ongoing compliance with this requirement.
In response to the draft staff analysis, HLC revised its transfer of credit policies to clearly include all the disclosures required by 34 C.F.R. §668.43(a)(11). The agency provided the revised policy - Publication of Transfer Policies – and documentation to demonstrate implementation of the revised policy (HLC Exhibits: HLC Policy Book, effective June 2022, FDCR.A.10.040; 2022 Federal Compliance Overview; and Sample Federal Compliance Filing).

Criteria: 602.24(f)
Description of Criteria

(f)
(1) Adopt and apply the definitions of “branch campus” and “additional location” in 34 CFR 600.2;
(2) On the Secretary's request, conform its designations of an institution’s branch campuses and additional locations with the Secretary’s if it learns its designations diverge; and
(3) Ensure that it does not accredit or preaccredit an institution comprising fewer than all of the programs, branch campuses, and locations of an institution as certified for title IV participation by the Secretary, except with notice to and permission from the Secretary.

Narrative:
As noted in HLC’s glossary, HLC utilizes the federal definitions of branch campus and additional location in its policies and procedures. The HLC glossary can be found at: https://www.hlcommission.org/General/glossary.html. By utilizing the same definitions, HLC ensures that there is no divergence between HLC and Department classifications of such.

Separately, HLC policy establishes that status with HLC applies to the institution as a whole, regardless of the location of where those components are located. (See EXHIBIT A.1: HLC Policy Book, INST.B.10.020,
Thus, under this policy, HLC policy prohibits the exclusion of any program, branch campus, or additional location from HLC accreditation.

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Analyst Worksheet - Narrative

Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency stated that its definitions for branch campus and additional location are identical to the Federal definitions at 34 C.F.R. §600.2 (ED Exhibit 3 - Glossary). Department staff confirmed that HLC has adopted the Department’s definitions.

The agency provided its policy that requires accreditation or preaccreditation of the institution as a whole and does not allow for the exclusion of any program, branch campus, or additional location (Exhibit A.1, INST.B.10.020).

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response

Analyst Review Status:

Criteria: 602.25(a-e)
Description of Criteria

The agency must demonstrate that the procedures it uses throughout the accrediting process satisfy due process. The agency meets this requirement if the agency does the following:

(a) Provides adequate written specification of its requirements, including clear standards, for an institution or program to be accredited or preaccredited.
(b) Uses procedures that afford an institution or program a reasonable period of time to comply with the agency's requests for information and documents.
(c) Provides written specification of any deficiencies identified at the institution or program examined.
(d) Provides sufficient opportunity for a written response by an institution or program regarding any deficiencies identified by the agency, to be considered by the agency within a time frame determined by the agency, and before any adverse action is taken.
(e) Notifies the institution or program in writing of any adverse accrediting action or an action to place the institution or program on probation or show cause. The notice describes the basis for the action.

Narrative:

As noted under §602.17, HLC provides written notice of its standards for evaluation. The HLC Policy Book, which includes all evaluative standards, including the Criteria for Accreditation, Assumed Practices, Federal Compliance Requirements, and Eligibility Requirements, is published and maintained on the HLC website at all times. HLC Policy INST.G.10.010 specifically requires that this information, which encompasses any standard applied during an evaluative process, be published at all times. (See EXHIBIT A.1: HLC Policy Book, INST.G.10.010, p. 172)

HLC's various procedures afford sufficient due process in terms of institutions preparing and submitting information to the Commission. In all cases where the submission of information is required, HLC provides the institution with notice as to the deadline for providing the information. Generally, HLC procedures provide an institution with 14 days to submit an institutional response to an evaluative report (including team reports, Change of Control reports, etc.) and 30 days to provide responses to complaints, a response to a sanction or adverse action by another accreditor, or an action by the Board of Trustees to signal its intent to place an institution on a sanction. (See for example, EXHIBIT A.1; HLC Policy Book, INST.G.10.020, p. 177, INST.B.30.020, p. 88, INST.C.10.030, p. 103, INST.F.20.010, p. 153, and INST.E.70.010, p. 138; see also EXHIBIT B.14: Institutional Designations Procedure, EXHIBIT B.20: Change of Control, Structure or Organization Procedure, and EXHIBIT B.23: Complaints Process)

Following any evaluative process and prior to final action, an institution will be provided a team report, which will set forth the findings of the peer review team. In all cases, with the exception of an Advisory Visit, Change of Control Evaluation, or Show-Cause Evaluation, the team report will also include a recommendation for action. (See, for example, INST.C.10.010, p. 95) For sample team reports, see EXHIBIT E.2: Sample Comprehensive Evaluation 1 p. 272, EXHIBIT E.3: Sample Comprehensive Evaluation 2 p. 450, and EXHIBIT E.4: Sample Comprehensive Evaluation 3 p. 368.

In cases where an Institutional Actions Council Hearing Committee is required, an institution will also be
provided a written report of the Hearing Committee. If the Hearing Committee’s agrees with any of the team’s negative findings (e.g., findings of Met with Concerns or Not Met related to a Core Component within the Criteria for Accreditation) or makes other determinations that diverge from those of the peer review team, the Report will include the Hearing Committee’s underlying rationale in detail. (See EXHIBIT A.1: HLC Policy Book, INST.D.40.010, p. 113 and INST.G.10.020, p. 177 and see EXHIBIT E.5: Sanction Case Study 1 p. 1083 and EXHIBIT E.16: Sanction Case Study 2 p. 295)

HLC policy also establishes that any action of the Commission will be communicated to the institution through an action letter. The action letter shall provide information about the terms of the action, including changes to the Statement of Accreditation Status, the rationale for the action, any subsequent steps in the review process, and any opportunities for institutional response or, in the case of an adverse action as defined in HLC policy, opportunities for appeal. If an institution is found to be deficient in meeting one or more HLC requirements, the action letter will clearly identify the standards at issue and the basis for the deficiency. (See EXHIBIT A.1: HLC Policy Book, INST.G.10.020, p. 177)

For examples of such Action Letters see EXHIBIT E.5: Sanction Case Study 1 p. 1198 and EXHIBIT E.16: Sanction Case Study 2 p. 310.

The Higher Learning Commission affords due process during all evaluative activities. At the core of due process is notice of potential action and the opportunity to be heard. HLC ensures institutional due process is provided through the following primary mechanisms:

### Institutional Response to Team Report

Following any evaluation that includes a peer review team, an institution has the opportunity to provide a formal response to the report of the peer review team and their recommendation (when applicable) prior to final action (including any negative or adverse action). (See, for example, INST.C.10.010, p. 95)

This response, if provided by an institution, becomes part of the official record and is reviewed by the appropriate decision-making body. (See EXHIBIT A.1: HLC Policy Book, INST.D.10.010, p. 106 and INST.G.10.020, p. 177; see also EXHIBIT E.2: Sample Comprehensive Evaluation 1 p. 335, EXHIBIT E.3: Sample Comprehensive Evaluation 2 p. 534, and EXHIBIT E.4: Sample Comprehensive Evaluation 3 p. 440 for examples of such responses)

### Institutional Actions Council

Under HLC policy, the Institutional Actions Council conducts its work through committees, known as Institutional Actions Council Meeting Committees and Institutional Actions Council Hearing Committees. Each committee reviews the full written record of the evaluation and the rationale related to any recommendation (See EXHIBIT A.1: HLC Policy Book, INST.D.40.010, p. 113).

### IAC Meeting Committee

In reviewing matters for which the IAC is authorized to take action as the final decision-making body under policy and in other cases where the IAC is considering removal of Notice as a recommending body the HLC Board of Trustees as final decisionmaker, an IAC Meeting Committee is convened. Such Committee conducts its business by any means that allows for synchronous or asynchronous communication among committee members. However, no representatives of the institution or of the evaluation team participate in such meetings. Nevertheless, due process is assured because the
evaluation team report, including the team recommendation are made available to the institution prior
to the convening of the IAC Meeting Committee, and the institution has the opportunity to prepare a
written institutional response that is forwarded to the IAC Meeting Committee. In this manner, the
institution is provided proper notice of potential and the opportunity to be heard. IAC Meeting
Committee conducts a de novo review of the record and may refer cases to an IAC Hearing Committee
when appropriate.

IAC Hearing Committee

The IAC Hearing Committee conducts a de novo review of the record and representatives of an
institution are to be present for such hearings to make its case and respond to questions from the
Committee. The Institutional Actions Council may also require a hearing in other cases where it
determines appropriate based on its review. The IAC Hearing Committee generally conducts its business
in person, but may use any means that allows for synchronous communication among committee
members, team chair or other team representative, and institutional representatives, as needed. (ibid,
INST.D.40.010, p. 113, and EXHIBIT E.5: Sanction Case Study 1 p. 1083 and EXHIBIT E.16: Sanction Case
Study 2 p. 295 for examples of such reports)

Following an IAC Hearing Committee, the institution will receive a written Hearing Committee Report,
which sets forth the findings and rationale of the Hearing Committee regarding an institution’s
compliance with HLC Standards. (ibid) Because a Hearing Committee Report is an evaluative report, HLC
policy requires that an institution be given 14 days to submit a formal response to the report, which
then becomes part of the record. (See EXHIBIT A.1: HLC Policy Book, INST.G.10.020, p. 184 and EXHIBIT
E.5: Sanction Case Study 1 p. 1096 and EXHIBIT E.16 Sanction Case Study 2 p. 309 for samples of such
responses)

Institutional Response to Presidential Recommendation

Prior to any recommendation for action to the HLC Board of Trustees from the HLC President under
HLC’s policy on Special Monitoring, an institution shall have an opportunity to respond to the
recommendation. This response can include written narrative and evidence deemed appropriate by the
institution. The response becomes part of the official record and is reviewed by the HLC Board of
Trustees prior to action on the recommendation. (See EXHIBIT A.1: HLC Policy Book, INST.F.20.010, p.
148 and EXHIBIT E.12: Special Monitoring Case Study for examples of such responses)

Board Committee Hearing

HLC policy requires that an institution be afforded an opportunity to appear before a transcribed Board
Committee Hearing prior to action by the HLC Board in the following cases:

• denial of accreditation, except where the Commission is denying an application for early accreditation
prior to the end of the four-year term of candidacy with a possible extension for a fifth year for good
cause;
• withdrawal of accreditation;
• the conclusion of a Show-Cause order process (unless waived by the institution). (See EXHIBIT A.1: HLC
Institutional Response to Board Committee Hearing Transcript

A Board Committee Hearing shall be transcribed, which shall become part of the official record related to the institution. Under HLC policy, an institution shall be provided a copy of the transcript and will be afforded an opportunity to provide a response to the transcript prior to action by the HLC Board. (Ibid; see also EXHIBIT D.19: Board Committee Hearing Information and Protocol)

Due to text limitations, please see EXHIBIT H.12: Addendum to 602.25(a-e) for the remainder of HLC’s response to this section.

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The agency's policies and procedures, as included in its Policy Book, are clear and provide adequate written guidance concerning the agency's specifications for accreditation or preaccreditation (Exhibit A.1). The agency's standards and requirements for accreditation and preaccreditation are publicly available on its website, as confirmed by Department staff and required by the agency's policies (Exhibit A.1, INST.G.10.010).

The agency's procedures also provide adequate timeframes, in accordance with commonly accepted practices, to ensure that institutions have sufficient time to respond to the agency's request for information. Deficiencies are clearly and specifically identified in writing in the site team reports and the accreditation action letters. Prior to taking any adverse action, institutions are afforded an opportunity to respond. HLC notifies an institution in writing of any adverse action or action to place the institution on probation or show cause and describes the basis for the action in the notice.

HLC provided documentation to demonstrate implementation of its due process procedures, to include proper notice and the opportunity to respond, in the petition and during the virtual file review (Exhibits E.2, E.3, E.4, E.5, E.16).

On September 24, 2019, the Department initiated an inquiry under Section 602.33 into the agency's review and approval of the change of ownership submitted by the Art Institute of Colorado and the Illinois Institute of Art, that HLC did not follow its standards regarding a change of ownership or control by an accredited institution. On October 24, 2020, after a review of the final staff analysis and recommendation by NACIQI, the SDO found HLC out of compliance with Section 602.25(a), as the agency did not provide “adequate written specification of its requirements” regarding its change of ownership or control policies and procedures (ED Exhibit 5 - SDO final decision 10.26.20_Redacted). HLC provided information and documentation regarding the applications for change of ownership or control for which a review and decision were made during the monitoring report period and provided the relevant policies related to the change of ownership or control reviews and decisions, which demonstrated that HLC provides adequate written specification of its requirements (ED Exhibit 17 - HLC Monitoring Report Resolution).

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HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.25(f)
Description of Criteria

(f) Provides an opportunity, upon written request of an institution or program, for the institution or program to appeal any adverse action prior to the action becoming final.

(1) The appeal must take place at a hearing before an appeals panel that—
   (i) May not include current members of the agency’s decision-making body that took the initial adverse action;
   (ii) Is subject to a conflict of interest policy;
   (iii) Does not serve only an advisory or procedural role, and has and uses the authority to make the following decisions: To affirm, amend, or remand adverse actions of the original decision-making body; and
   (iv) Affirms, amends, or remands the adverse action. A decision to affirm or amend the adverse action is implemented by the appeals panel or by the original decision-making body, at the agency’s option; however, in the event of a decision by the appeals panel to remand the adverse action to the original decision-making body for further consideration, the appeals panel must explain the basis for a decision that differs from that of the original decision-making body and the original decision-making body in a remand must act in a manner consistent with the appeals panel’s decisions or instructions.

(2) The agency must recognize the right of the institution or program to employ counsel to represent the institution or program during its appeal, including to make any presentation that the agency permits the institution or program to make on its own during the appeal.

Narrative:
HLC policy provides a mechanism for an institution to appeal an adverse action, as defined in the policy. (See EXHIBIT A.1: HLC Policy Book, INST.E.90.010, p. 141) An institution is entitled to one appeal prior to
an adverse action becoming final. An institution, however, may waive its right to appeal or elect not to appeal within the timeframe afforded in policy. (ibid) Under policy, the grounds for appeal include:

- The Board’s decision was arbitrary, capricious, or not supported by substantial evidence in the record on which the Board took action.
- The procedures used to reach the decision were contrary to the Commission’s policies and procedures, and the procedural error unreasonably impaired the Board’s consideration.
- The institution has new financial information for consideration. (ibid)

As noted before, HLC’s last appeal occurred in 2013 and thus, HLC does not have a case study to demonstrate this process under current policy and procedure.

HLC publishes its appeals procedure on its website, which makes information on the appeals process available to institutions and the public. (See EXHIBIT B.4: Appeals Procedure) As stated in this procedure, an institution will be notified in writing of its opportunity to appeal in the Action Letter communicating the adverse action. (ibid and See EXHIBIT A.1: HLC Policy Book, INST.D.10.010, p. 106)

As stated in Article XII, Section 2 of the Bylaws, the HLC Board of Trustees appoints an Appeals Body (See EXHIBIT A.4: HLC Bylaws, p. 9) As stated in policy, the Board of Trustees maintains the Appeals Body, consisting of fifteen members, who are first nominated by HLC staff. In the event of an appeal, the HLC President is authorized to form an Appeal Panel consisting of five of these members. (EXHIBIT A.1: HLC Policy Book, INST.E.90.010, p. 106) The Appeal Panel then holds a hearing with representatives of the institution. HLC’s Appeals Procedure clearly establishes that an institution has the right to its counsel at the hearing and is afforded an opportunity to present its case to the Appeal Panel. (See EXHIBIT B.4: Appeals Procedure)

As noted under §602.15 and §602.18, because Appeals Body members rarely serve, and only serve in situations where they have no conflict of interest or the appearance thereof, they complete the appropriate Confirmation of Objectivity Form at the time they accept an assignment to serve on an Appeal Panel. Regardless, HLC policy clearly establishes that members of an Appeal Panel must be free from conflict of interest. (See EXHIBIT A.1: HLC Policy Book, INST.E.90.010, p. 141 and EXHIBIT B.4: Appeals Procedure) A member of the Appeals Body cannot concurrently serve on a different HLC decision-making (i.e., the Institutional Actions Council or Board of Trustees).

Under HLC’s Bylaws and policy, an Appeal Panel is a decision-making body and has the authority to make a decision to affirm, amend or remand the adverse action. (See EXHIBIT A.4: HLC Bylaws, Article XII, p. 9 and EXHIBIT A.1: HLC Policy Book, INST.E.90.010, p. 141)

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The agency’s policies and procedures regarding appeals contain all the elements required by this section, to include the composition, function, and authorized actions of the appeal panel and the allowance for an institution to be represented by legal counsel (Exhibits A.1, INST.E.90.010; and B.4).

HLC stated that its last appeal occurred in 2013 and therefore does not have documentation of an appeal during the period of recognition to provide to demonstrate implementation of its current appeal policies and procedures.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section. HLC affirms that it has not received an appeal since 2013.

Criteria: 602.25(g)

Description of Criteria

(g) The agency notifies the institution or program in writing of the result of its appeal and the basis for that result.

Narrative:
Following the conclusion of an Appeal Panel, an institution is provided a transmittal with the findings of the Appeal Panel prior to final action. (See EXHIBIT A.1: HLC Policy Book, INST.E.90.010, p. 141 and EXHIBIT B.4: Appeals Procedure)
If the Appeal Panel affirms or amends the Board’s determination regarding an adverse action, the Appeal Panel then conveys that decision to the Board of Trustees, which must implement the Appeal Panel’s decision regarding the status of the institution in a manner consistent with the decision. If the Appeal Panel remands the adverse action to the Board for additional consideration, it will provide an explanation of its decision to remand. Upon remand, the Board may affirm, amend or reverse its action after taking into account those issues identified by the Appeal Panel in the explanation of its remand. (See EXHIBIT A.1: HLC Policy Book, INST.E.90.010, p. 141)

After final Board action, the institution will receive another Action Letter detailing the action taking and the rationale. (ibid and EXHIBIT B.4: Appeals Procedure)

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Analyst Worksheet - Narrative

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's appeal policies and procedures include notification of a written appeal decision and the rationale to support the decision to the institution (Exhibits A.1, INST.E.90.010; and B.4). HLC stated that its last appeal occurred in 2013 and therefore does not have documentation of an appeal during the period of recognition to provide to demonstrate implementation of its current appeal policies and procedures.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section. HLC affirms that it has not received an appeal since 2013.
Criteria: 602.25(h)
Description of Criteria

(h)

(1) The agency must provide for a process, in accordance with written procedures, through which an institution or program may, before the agency reaches a final adverse action decision, seek review of new financial information if all of the following conditions are met:
   (i) The financial information was unavailable to the institution or program until after the decision subject to appeal was made.
   (ii) The financial information is significant and bears materially on the financial deficiencies identified by the agency. The criteria of significance and materiality are determined by the agency.
   (iii) The only remaining deficiency cited by the agency in support of a final adverse action decision is the institution's or program's failure to meet an agency standard pertaining to finances.

(2) An institution or program may seek the review of new financial information described in paragraph (h)(1) of this section only once and any determination by the agency made with respect to that review does not provide a basis for an appeal.

Narrative:
As explained under §602.25(f) the grounds for an appeal can include that there is new financial information is available that was unavailable at the time the initial adverse action was taken. As explained in HLC policy, this ground for appeal applies “if, as determined in the discretion of the Appeal Panel: (i) the adverse action was based solely on financial grounds; (ii) the financial information was not available at the time the adverse action was made; and (iii) the financial information is significant and bears materially on the financial deficiencies that formed the basis for the adverse action.” (See EXHIBIT A.1: HLC Policy Book, INST.E.90.010, p. 141) As noted under §602.26(f), an institution is only entitled to one appeal regarding an adverse action, regardless of the basis for the appeal. (ibid)

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Analyst Worksheet - Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's appeal policies and procedures concerning the review of new financial information are clear, comprehensive, and specific to the requirements of this section (Exhibits A.1, INST.E.90.010; and B.4). HLC stated that its last appeal occurred in 2013 and therefore does not have documentation of an appeal during the period of recognition to provide to demonstrate implementation of its current appeal policies and procedures.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department's review of HLC's adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section. HLC affirms that it has not received an appeal since 2013.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.26(a)
Description of Criteria

The agency must demonstrate that it has established and follows written procedures requiring it to provide written notice of its accrediting decisions to the Secretary, the appropriate State licensing or authorizing agency, the appropriate accrediting agencies, and the public. The agency meets this requirement if the agency, following its written procedures--

(a) Provides written notice of the following types of decisions to the Secretary, the appropriate State licensing or authorizing agency, the appropriate accrediting agencies, and the public no later than 30 days after it makes the decision:
(1) A decision to award initial accreditation or preaccreditation to an institution or program.
(2) A decision to renew an institution's or program's accreditation or preaccreditation;

Narrative:
HLC policy requires that notice of any accrediting action be provided to the Department, other accrediting agencies, state higher education agencies, and to the public in a timely manner. With respect to actions to award Candidate for Accreditation status, Initial Accreditation, or to reaffirm accreditation, HLC provides notice in two ways: (1) by email and (2) by publication on its website, both within 30 days of the action. (See EXHIBIT A.1: HLC Policy Book, COMM.C.10.020, p. 192, COMM.C.10.030, p. 194, and INST.G.10.010, p. 172)

Within 30 days of the action by a decision-making body, HLC provides email notice of all actions noted under this section to the Department of Education (via asrecordsmanager@ed.gov), to other accrediting agencies, and to state agencies. (See EXHIBIT C.22: Sample Board of Trustees Actions Notification Email) This email links to the publication on HLC's website regarding the actions taken. That publication on HLC's website provide notice of the actions to the public.

Separately, HLC ensures that it promptly updates the Department’s database, with such updates occurring in less than 30 days of action.

Document(s) for this Section

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Analyst Worksheet- Narrative
Analyst Review Status:
Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's policies and procedures require the agency to provide written notice to the Secretary, appropriate State licensing or authorizing agency, appropriate accrediting agency, and the public no later than 30 days after the positive accreditation decision is made (Exhibit A.1, COMM.A.10.010). The agency provided documentation to demonstrate that the Secretary, appropriate State licensing or authorizing agency, and appropriate accrediting agency are notified within 30 days of the positive accreditation decision (Exhibit C.22). Department staff reviewed the information provided on the
Department's Database of Accredited Postsecondary Institutions and Programs (DAPIP) to confirm the agency's timely notification to the Secretary of positive accreditation actions.

Department staff verified that the notice to the public, as required by this section, is available on the agency's website. During the virtual file review, Department staff reviewed additional documentation of the timely notification of positive accreditation decisions.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC's adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.26(b)
Description of Criteria

(b) Provides written notice of a final decision of a probation or equivalent status or an initiated adverse action to the Secretary, the appropriate State licensing or authorizing agency, and the appropriate accrediting agencies at the same time it notifies the institution or program of the decision and requires the institution or program to disclose such an action within seven business days of receipt to all current and prospective students;

Narrative:
HLC policy requires simultaneous notification of the Department of Education, the appropriate state agency, and appropriate other accreditors of the following actions: placement of an institution on Notice, placement of an institution on Probation, issuance of a Show-Cause Order, and adverse action (denial or withdrawal of status). (See EXHIBIT A.1: HLC Policy Book, COMM.C.10.020, p. 192, COMM.C.10.030, p. 193, and INST.G.10.010, p. 172) HLC accomplishes this simultaneous notification by carbon copying said agencies and the Department on the initial electronic distribution of the Action Letter to the institution. (See EXHIBIT E.5: Sanction Case Study 1 p. 1198, EXHIBIT E.16: Sanction Case Study 2 p. 310, and EXHIBIT C.23: Sample Board of Trustees Action Letter Cover Email)

Under policy, an institution must notify its students (both current and prospective), faculty, staff, and
other stakeholders within seven business days of its receipt of the Action Letter of an action to place the
institution on Notice or Probation, issue a Show-Cause Order, or initiate an adverse action. (See EXHIBIT
A.1: HLC Policy Book, INST.E.10.010, p. 117, INST.E.20.010, p. 121, INST.E.30.010, p. 127, and
INST.E.60.010, p. 133) Procedurally, HLC requires that the institution provide final copies of these
disclosures to HLC. The disclosures are then maintained as part of the institution’s record with HLC.
(ibid)

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s policies and procedures require HLC to provide written notice of decisions to place an
institution on probation or show cause, or deny or withdraw accreditation or preaccreditation to the
Secretary, appropriate State licensing or authorizing agency, and appropriate accrediting agency at the
same time as the institution (Exhibit A.1, COMM.A.10.010).

The agency provided documentation to demonstrate that the Secretary, appropriate State licensing or
authorizing agency, and appropriate accrediting agency are notified at the same time as the institution
of the negative accreditation decisions required by this section (Exhibit C.23). Department staff
reviewed the information provided on the Department’s Database of Accredited Postsecondary
Institutions and Programs (DAPIP) to confirm the agency’s timely notification to the Secretary of final
accreditation actions of probation or the equivalent. As stated in Section 602.20, HLC has not taken an
adverse action during the recognition period and therefore cannot provide documentation to
demonstrate that the Secretary, appropriate State licensing or authorizing agency, and appropriate
accrediting agency are notified at the same time as the institution of an initiated adverse action and no
later than 30 days after it reaches the decision.
The agency’s policies and procedures require an institution to disclose a final decision of probation or equivalent status or an initiated adverse action within seven business days of receipt to all current and prospective students, as required by this section (Exhibit A.1, INST.E.20.010, INST.E.30.010, and INST.E.60.010). The agency provided documentation to demonstrate the required notification to current and prospective students within seven business days of the accreditation decision (Exhibits E.5 and E.16). During the virtual file review, Department staff reviewed an example of same time notification of an accreditation action to place an institution on probation and the notification to current and prospective students within seven business days.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

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Criteria: 602.26(c)
Description of Criteria

(c) Provides written notice of the following types of decisions to the Secretary, the appropriate State licensing or authorizing agency, and the appropriate accrediting agencies at the same time it notifies the institution or program of the decision, but no later than 30 days after it reaches the decision:

1. A final decision to deny, withdraw, suspend, revoke, or terminate the accreditation or preaccreditation of an institution or program.
2. A final decision to take any other adverse action, as defined by the agency, not listed in paragraph (c)(1) of this section;

Narrative:
In addition to those actions noted under §602.26(b), HLC policy also requires simultaneous notification to the Department, the appropriate state agency, and appropriate other accreditors related to adverse actions, including: an initial action to deny or withdraw accreditation or Candidacy, and a final action to deny or withdraw accreditation or Candidacy. (See EXHIBIT A.1: HLC Policy Book, COMM.A.10.010, p. 181) As noted before, HLC accomplishes simultaneous notification by copying the Department and other agencies on the initial electronic distribution of the action letter. Because HLC has not initiated or taken
an adverse action during the recognition period, a case study is not available.

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s policies and procedures require HLC to provide written notice of decisions to deny or withdraw accreditation or preaccreditation to the Secretary, appropriate State licensing or authorizing agency, and appropriate accrediting agency at the same time as the institution, but no later than 30 days after it reaches the decision (Exhibit A.1, COMM.A.10.010). As stated in Section 602.20, HLC has not taken an adverse action during the recognition period and therefore cannot provide documentation to demonstrate that the Secretary, appropriate State licensing or authorizing agency, and appropriate accrediting agency are notified at the same time as the institution of the adverse action and no later than 30 days after it reaches the decision.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.26(d)
(d) Provides written notice to the public of the decisions listed in paragraphs (b) and (c) of this section within one business day of its notice to the institution or program;

**Narrative:**

HLC policy requires that the Commission place an appropriate notice to the public on its website concerning actions related to an action to impose Notice or Probation, issue a Show-Cause Order, an initial action to deny or withdraw status, and a final action to deny or withdraw status within one business day of issuing the action letter. (See EXHIBIT A.1 HLC: Policy Book, COMM.A.10.010, p. 181) HLC policy contemplates only the following types of adverse actions: denial of Candidacy, withdrawal of Candidacy, denial of Initial Accreditation, and withdrawal of accreditation. (See EXHIBIT A.1: HLC Policy Book, COMM.A.10.010, p. 181) HLC policy does not provide for a suspension of status.

Within one business day of the action letter communicating such an action being sent to the institution, HLC takes the following steps to provide notice to the public: (1) updating the institution’s Statement of Accreditation Status on the HLC website, reflecting the institution’s status following the action (including the Mark of Accreditation Status, (2) posting the Action Letter to the SAS, and (3) publishing a Public Disclosure Notice (PDN). The PDN is also included in the copy of the action letter mailed to the Department and included with the notification mailed electronically to state agencies and other accrediting agencies about the action. These approaches ensure that the public is appropriately notified of serious actions following requirements in this regulation. (ibid; see also EXHIBIT B.27: Public Disclosure Notice Procedure)

A Public Disclosure Notice provides a brief but detailed statement about the reasons for the Board’s action to impose a sanction or issue a show-cause order, or deny or withdraw status. This statement contains the findings of fact made by the Board that led to the action as well as the accrediting standards that were identified in the action letter as in met with concerns or not met. Because the PDN is posted on the Commission’s website one business day of the notification to the institution, the public, the Department and other parties have timely information about the reasons for the Board’s action as anticipated by this regulation. (See EXHIBIT A.1: HLC Policy Book, COMM.A.10.010, p. 181 and EXHIBIT B.27: Public Disclosure Notice Procedure) For a sample Public Disclosure Notice, see EXHIBIT E.5: Sanction Case Study 1 p. 1204, EXHIBIT E.16: Sanction Case Study 2 p. 315.

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The agency’s policies and procedures require HLC to provide written notice of decisions to place an institution on probation or show cause, or deny or withdraw accreditation or preaccreditation to the public within one business day of its notice to the institution (Exhibits A.1, COMM.A.10.010; and B.27). HLC uses its website to notify the public within one business day by posting a “Public Disclosure Notice” of the action and updating the institution in the agency’s directory. HLC provided documentation of the Public Disclosure Notice dated the same as the action letter for two institutions (Exhibits E.5 and E.16). Department staff verified that the information required by this section is available on the agency’s website (ED Exhibit 35 - Recent Actions _ Student Resources). During the virtual file review, Department staff reviewed documentation that the notice is posted within one business day.

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HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.26(e)
Description of Criteria

(e) For any decision listed in paragraph (c) of this section, requires the institution or program to disclose the decision to current and prospective students within seven business days of receipt and makes available to the Secretary, the
appropriate State licensing or authorizing agency, and the public, no later than 60 days after the decision, a brief statement summarizing the reasons for the agency's decision and the official comments that the affected institution or program may wish to make with regard to that decision, or evidence that the affected institution has been offered the opportunity to provide official comment;

Narrative:
As noted under §602.26(b), an institution must notify its students (both current and prospective), faculty, staff, and other stakeholders of an initial adverse action within seven business days of its receipt of the Action Letter. (See EXHIBIT A.1: HLC Policy Book, INST.E.60.010, p. 133) Procedurally, HLC requires that the institution provide final copies of these disclosures to HLC. The disclosures are then maintained as part of the institution’s record with HLC. (ibid)

In addition, in cases of denial or withdrawal of status, an institution receives a prompt Invitation, after the action is taken by the Board, to provide comments that are included on the PDN; if the institution declines or fails to provide comments, the PDN will include a statement to indicate that the institution was offered an opportunity to comment but declined. When the action becomes final, either because the institution did not exercise its right to appeal or if the Board’s action is sustained or amended by the Appeal Panel, the institution receives another invitation to provide comments or update comments previously supplied. These comments are included on the PDN, which is updated after the action becomes final. (ibid and EXHIBIT B.27: Public Disclosure Notice Process)

HLC policy requires that, for actions to deny or withdraw accredited or candidate status, the Public Disclosure Notice must be updated within 60 days of the action becoming final. This Public Disclosure Notice must include comments from the affected institution or information to indicate that the institution was provided an opportunity to comment but did not do so. (See EXHIBIT A.1: HLC Policy Book, INST.E.60.010) As noted before, all Public Disclosure Notices, including those published following a final adverse action, must include a summary of the action taken and the basis for the action. (ibid and see EXHIBIT B.28: Public Disclosure Notice Process)

Because HLC has not had an appeal or adverse action during the recognition period, a case study related to this section is unavailable.

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Analyst Worksheet- Narrative

Analyst Review Status:

Meets the requirements of this section
The agency’s policies and procedures require HLC to provide the rationale of decisions to deny or withdraw accreditation or preaccreditation to the Secretary, appropriate State licensing or authorizing agency, and the public no later than 60 days after the decision via the “Public Disclosure Notice” (Exhibits A.1, INST.E.60.010, and B.27). The agency’s policies and procedures also require an institution to disclose a final decision deny or withdraw accreditation or preaccreditation within seven business days of receipt to all current and prospective students. As stated in Section 602.20, HLC has not taken an adverse action during the recognition period and therefore cannot provide documentation to demonstrate implementation of these policies and procedures.

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.26(f)

(f) Notifies the Secretary, the appropriate State licensing or authorizing agency, the appropriate accrediting agencies, and, upon request, the public if an accredited or preaccredited institution or program—

(1) Decides to withdraw voluntarily from accreditation or preaccreditation, within 10 business days of receiving notification from the institution or program that it is withdrawing voluntarily from accreditation or preaccreditation; or

(2) Lets its accreditation or preaccreditation lapse, within 10 business days of the date on which accreditation or preaccreditation lapses.

The Commission allows institutions to voluntarily resign status at any time. (See EXHIBIT A.1: HLC Policy Book, INST.B.30.010, p. 86) Under HLC procedure, an institution initiates the voluntary resignation
process by submitting the voluntary resignation form, which is posted on the HLC website, to the Commission. As noted on the form and in HLC procedure, the form must be either (a) signed by the institution’s Chief Executive Officer and Board chair, or (b) be signed by the Chief Executive Officer and include a copy of the Board’s minutes authorizing a voluntary resignation of HLC accreditation. (See EXHIBIT B.28: Voluntary Resignation Process)

As set forth in HLC’s procedure, upon receipt of the materially complete voluntary resignation form, HLC will provide a form response, accepting the resignation, within five business days. (ibid) As noted in HLC’s procedure, notice of the resignation is provided to the Department and appropriate state agency via simultaneous distribution; these agencies are carbon copied on the distribution email. (ibid) Separately, within five days of accepting the resignation, HLC provides an email notice to the Department, to all state agencies, and to all other accrediting agencies, describing the institution’s resignation. (ibid) Thus HLC provides notice to all other agencies within 10 days of its receiving notice of an institution’s voluntary resignation, which is established in HLC policy as the maximum for notifying the Department following receipt of a voluntary resignation. (See EXHIBIT A.1: HLC Policy Book, INST.B.30.010, p. 86)

On the effective date of the resignation, HLC posts the Public Disclosure Notice on its website and updates its directory to reflect the voluntary resignation, thereby providing notice to the public. The Public Disclosure Notice describes the resignation and provides pertinent information for students and the public, such as where transcripts are held. (See EXHIBIT C.21: Sample Statement of Accreditation Status for Resigned Institution)

For a case study demonstrating this process, see EXHIBIT E.13: Provisional Plan and Voluntary Resignation Case Study.

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section
Analyst Remarks to Narrative:

The agency's policies and procedures require HLC to provide written notice to the Department, appropriate State licensing or authorizing agency, appropriate accrediting agency, and, upon request, the public within 10 business days of notification of voluntary withdrawal of accreditation or preaccreditation by an institution (Exhibits A.1, INST.B.30.010; and B.28). The agency provided documentation of the required notification to the entities required by this section of a voluntary withdrawal within 10 business days (Exhibit E.13). During the virtual file review, Department staff reviewed documentation of notification of a voluntary withdrawal of accreditation to the entities required.

The agency’s policies and procedures do not appear to require written notice to the Department, appropriate State licensing or authorizing agency, appropriate accrediting agency, and, upon request, the public within 10 business days of a lapse of accreditation or preaccreditation, as required by this section. During the virtual file review, HLC stated that its procedures do not allow for a lapse of accreditation, as the agency either requires an institution to begin the renewal of accreditation process or submit a notice of withdrawal.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department's review of HLC's adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section. HLC would like to separately confirm the representations made by staff during the file review. HLC policy does not allow for a “lapse” of accreditation. An institution’s membership with HLC may only be terminated through an adverse action by HLC (withdrawal or denial of status) or by the institution’s voluntary resignation of membership. Following either an adverse action or voluntary resignation, an institution wishing to seek status with HLC again would be required to apply for membership through HLC’s Eligibility Process.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.27 (a)(1-4)
Description of Criteria

(a) The agency must submit to the Department—
(1) A list, updated annually, of its accredited and preaccredited institutions and programs, which may be provided electronically;
(2) A summary of the agency's major accrediting activities during the previous year (an annual data summary), if requested by the Secretary to carry out the Secretary's responsibilities related to this part;
(3) Any proposed change in the agency's policies, procedures, or accreditation or preaccreditation standards that might alter its—
   (i) Scope of recognition, except as provided in paragraph (a)(4) of this section; or
   (ii) Compliance with the criteria for recognition;
(4) Notification that the agency has expanded its scope of recognition to include distance education or correspondence courses as provided in section 496(a)(4)(B)(i)(I) of the HEA. Such an expansion of scope is effective on the date the Department receives the notification;

Narrative:
Institutional Directory Information

HLC maintains a directory of all current and former member institutions on its website. This directory includes any institution that has been or was previously awarded Candidate for Accreditation status or accreditation. This directory is available to the public at all times and is updated, at a minimum, after each meeting of an HLC decision-making body. The directory is also updated at other times as warranted by HLC policy and following the conclusion of the annual Institutional Update process. The directory is available from HLC's home page at www.hlcommission.org. HLC has utilized this method to meet the requirements of §602.27(a) for multiple recognition periods.

Annual Report or Summary of Major Accrediting Activities

HLC does not publish an Annual Report or Summary of Accrediting Activities at this time. Should HLC elect to produce such an Annual report, HLC policy requires that it share it with the Department, or, with regard to Summary of Accrediting Activities, provide it to the Department on request. (See EXHIBIT A.1: HLC Policy Book, COMM.C.10.030, p. 194)

Proposed Changes in the Agency's Standards Related to Scope of Recognition or Compliance

HLC policy requires that the Commission notify the Department about any changes in its scope of activity or its compliance with the criteria for recognition. (See EXHIBIT A.1: HLC Policy Book, COMM.C.10.030, p. 194) This policy also requires that HLC maintain regular communication with the Department. While HLC believes that it has not undergone any changes that may impact its compliance with the criteria for recognition or that have resulted in a change in scope during the recognition period, HLC has maintained consistent communication with its Staff Analyst, as the Commission has considered various policy changes. HLC recognizes the importance of the Triad and maintains significant greater channels of communications with state agencies, the Department, and other accreditors than the minima established by federal regulation.
The agency provided its policy regarding notice to the Department of actions on accredited and preaccredited institutions after each meeting of a decision-making body and, a list of the accredited and preaccredited institutions as reported in the Department’s Database of Accredited Postsecondary Institutions and Programs (DAPIP) (Exhibits A.1, COMM.C.10.030; and C.1). The agency’s policy also includes the requirement to submit to the Department any proposed change in the agency’s policies, procedures, or accreditation or preaccreditation standards, and a summary of the agency’s major accrediting activities during the previous year, if requested by the Department. Department staff reviewed the information provided on the DAPIP and found information on HLC-accredited and preaccredited institutions.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Criteria: 602.27 (a)(5-6),(b)
Description of Criteria

(5) The name of any institution or program it accredits that the agency has reason to believe is failing to meet its title IV, HEA program responsibilities or is engaged in fraud or abuse, along with the agency’s reasons for concern about the institution or program; and

(6) If the Secretary requests, information that may bear upon an accredited or preaccredited institution’s compliance with its title IV, HEA program responsibilities, including the eligibility of the institution or program to participate in title IV, HEA programs.

(b) If an agency has a policy regarding notification to an institution or program of contact with the Department in accordance with paragraph (a)(5) or (6) of this section, it must provide for a case-by-case review of the circumstances surrounding the contact, and the need for the confidentiality of that contact. When the Department determines a compelling need for confidentiality, the agency must consider that contact confidential upon specific request of the Department.

Narrative:

Reporting of Fraud and Abuse

HLC maintains a policy regarding suspected fraud and abuse. Under this policy, HLC is required to report any suspected fraud or abuse to the Department of Education, in addition to taking appropriate action with regarding to the institution’s accreditation status. (See EXHIBIT A.1: HLC Policy Book, FDCR.A.020.10, p. 50). Additionally, HLC’s policy on its relationship with the federal government establishes additional bases for reporting to the Department. As noted in this policy, HLC is also required to report suspected Title IV noncompliance to the Department. (See EXHIBIT A.1: HLC Policy Book, COMM.C.10.030, p. 194) Further, this same policy affords HLC the ability to respond to any request for institutional information from the Secretary, including information requested by the Secretary related to institutional Title IV compliance. (ibid)

HLC policy, including those policies regarding communications with the Department, recognize the importance of the Triad and seek to foster and strengthen the Triad therein. However, HLC policy also acknowledges that a one-size approach to information sharing in all cases is not appropriate. Thus, the policies noted under §602.27(a) afford for confidential communications with the Department on a case-by-case basis. (See EXHIBIT A.1: HLC Policy Book, COMM.C.10.030, p. 194) As stated in the policy, HLC will review the facts and circumstances of each situation to determine whether it is appropriate to keep confidential from the institution information about the Commission’s interaction with the Department. (ibid) Similarly, the policy makes clear that HLC will honor any request from the Department for its communications to be treated confidentially. (ibid)

Whether an HLC-initiated communication to the Department will remain confidential is determined by the Commission’s Legal and Regulatory Affairs, taking into consideration the following factors: the nature of the communication, whether it is routine, and whether the Commission needs information from the institution in order for the Commission to perform its own responsibilities relative to the communication.
The agency provided its policies regarding notice to the Department of any institution it accredits that HLC has reason to believe is failing to meet its title IV, HEA program responsibilities or is engaged in fraud or abuse (Exhibit A.1, COMM.C.10.030 and FDCR.A.020.10). The agency’s policies also address a request of the Secretary any information that may bear upon an accredited or preaccredited institution’s compliance with its title IV, HEA program responsibilities. HLC’s policies also provide for a case-by-case review of the circumstances surrounding a request for information from the Department prior to notification to the institution, and provide for a specific request for confidentiality by the Department, as required by this section. During the virtual file review, the agency stated that it has not encountered a situation described by this section and therefore could not provide documentation to verify implementation of its policies and procedures.

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section and affirms that it has not encountered a situation described in this section.
Description of Criteria

(a) If the agency is an institutional accrediting agency, it may not accredit or pre-accredit institutions that lack legal authorization under applicable State law to provide a program of education beyond the secondary level.

Narrative:
HLC’s Eligibility Requirement #2 requires that an institution be “appropriately authorized in each of the states, sovereign nations, or jurisdictions in which it operates to award degrees, offer educational programs, or conduct activities as an institution of higher education.” (See EXHIBIT A.1: HLC Policy Book, CRRT.A.10.010, p. 11) HLC does not accredit institutions that lack such authorization. Further, within the Eligibility Process, an institution is not able to secure a preliminary interview with HLC absent evidence of significant progress to secure legal status. (See EXHIBIT B.21: Eligibility Process) Assumed Practice A.10 contemplates that an institution will maintain such authorization(s) throughout its membership with HLC. (See EXHIBIT A.1: HLC Policy Book, CRRT.B.10.020, p. 24) A loss of legal operating authority is sufficient grounds for withdrawal of the institution’s accreditation. (ibid, INST.E.60.010, p. 133)

Furthermore, the Obligations of Membership require an institution to provide notification to HLC of any action taken by a state agency with regard to an institution’s legal status. (ibid, INST.B.30.020, p. 88) Policy also affords HLC the authority to seek such information directly from the state higher education agency. (ibid, COMM.C.10.030, p. 194)

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Analyst Worksheet- Narrative
Analyst Review Status:
Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s policies require its institutions to be appropriately authorized in each of the states, sovereign nations, or jurisdictions in which it operates to award degrees, offer educational programs, or conduct activities as an institution of higher education and to maintain that authorization (Exhibit A.1, CRRT.A.10.010 and CRRT.B.10.020). During the virtual file review, the agency provided documentation to demonstrate that an institution is not eligible to be accredited by HLC without the appropriate legal authorization to provide a program of education beyond the secondary level.
HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

**Analyst Worksheet - Response**

**Analyst Review Status:**

---

**Criteria: 602.28 (b)**

**Description of Criteria**

(b) Except as provided in paragraph (c) of this section, the agency may not grant initial or renewed accreditation or preaccreditation to an institution, or a program offered by an institution, if the agency knows, or has reasonable cause to know, that the institution is the subject of--

1. A pending or final action brought by a State agency to suspend, revoke, withdraw, or terminate the institution's legal authority to provide postsecondary education in the State;
2. A decision by a recognized agency to deny accreditation or preaccreditation;
3. A pending or final action brought by a recognized accrediting agency to suspend, revoke, withdraw, or terminate the institution's accreditation or preaccreditation; or
4. Probation or an equivalent status imposed by a recognized agency.

**Narrative:**

HLC maintains processes to ensure that it knows or is likely to know of institutional actions taken by state higher education agencies and other recognized accreditors. First, through HLC’s commitment to the Triad, HLC has numerous channels of communication with state agencies and other recognized accreditors. These agencies provide HLC notice of institutional actions via email to accreditingactions@hlcommission.org. HLC staff actively maintain and review all notifications provided to this email. Second, as noted before, HLC policy requires the prompt reporting of all negative (including Probation and its equivalent) and adverse actions taken by a state agency or another recognized accreditor. (See EXHIBIT A.1: HLC Policy Book, INST.B.30.020, p. 88)

For institutions seeking Candidate for Accreditation status or Initial Accreditation, HLC policy prohibits
the award of such in the event of a sanction or adverse action by another recognized accreditation. Specifically, Eligibility Requirement #18 requires that, “the institution has not had its accreditation revoked and has not voluntarily withdrawn under a show-cause order or been under a sanction with another accrediting agency recognized by CHEA or USDE within the five years preceding the initiation of the Eligibility Process.” (ibid, CRRT.A.10.010, p. 11)

As noted in policy, HLC must consider the actions taken by state agencies and other recognized accreditors in any decision related to an institution’s status. (ibid, FDCRA.10.090, p. 40) Under this policy, HLC must conduct a review of a member institution following the imposition of a sanction, the issuance of a Show-Cause Order, or an adverse action by a recognized accrediting agency. Further, policy requires that HLC consider, in a deliberate manner, any such action, the underlying rationale, and its own review of the information from the state agency or other accreditor in its decisions to award or reaffirm status. HLC policy requires that, if an institution has been subject to one of these actions, it cannot grant or reaffirm an institution’s status without good cause as discussed under §602.28(c).

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Analyst Worksheet- Narrative

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s policies and procedures do not allow it to grant accreditation or preaccreditation to an institution that is subject to a negative or adverse action by another body without meeting the exception noted in Section 602.28(c) (Exhibits A.1, CRRT.A.10.010, FDCRA.10.090, COMM.C.10.020, and COMM.C.10.030; and B.9). The policy also requires an institution to notify HLC of any pending or final negative or adverse action by a State agency or recognized accrediting agency. During the virtual file review, HLC reiterated that its policies do not allow for it to grant accreditation or preaccreditation to an institution subject to a negative or adverse action by another body without meeting the exception noted in Section 602.28(c).

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:
HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.28 (c)
Description of Criteria

(c) The agency may grant accreditation or preaccreditation to an institution or program described in paragraph (b) of this section only if it provides to the Secretary, within 30 days of its action, a thorough and reasonable explanation, consistent with its standards, why the action of the other body does not preclude the agency’s grant of accreditation or preaccreditation.

Narrative:
Consistent with §602.28(c), HLC’s decision to grant or renew accreditation or to grant Candidate for Accreditation status (preaccreditation) to an institution that has been subject to an action noted under §602.28(b) is made based on HLC’s review of the record and of the institution’s compliance with HLC’s standards. This review of the record includes all information related to any action taken by a state agency or another accreditor with respect to the institution and all materials underlying a sanction or adverse action by such entities. Ultimately, if the appropriate decision-making body determines that the award of status is appropriate despite the action of another recognized agency, HLC policy requires that HLC provide the Secretary with the decision-making body’s rationale within 30 days of action. (See EXHIBIT A.1: HLC Policy Book, COMM.C.10.020, p. 188)

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:
The agency’s policies and procedures allow for a grant of accreditation or preaccreditation to an institution if it is subject to a negative or adverse action by another body, and requires the agency to provide the Department an explanation as to why the negative or adverse action by another body does not preclude HLC from granting accreditation or preaccreditation to the institution within 30 days of its action (Exhibits A.1, FDCRA.10.090 and COMM.C.10.020; and B.9). During the virtual file review, the agency stated that it has not encountered a situation described by this section and therefore could not provide documentation to verify implementation of its policies and procedures.

List of Document(s) Uploaded by Analyst - Narrative

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Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section and affirms that it has not encountered a situation described in this section.

Analyst Worksheet - Response

Analyst Review Status:

Criteria: 602.28 (d)

Description of Criteria

(d) If the agency learns that an institution it accredits or preaccredits, or an institution that offers a program it accredits or preaccredits, is the subject of an adverse action by another recognized accrediting agency or has been placed on probation or an equivalent status by another recognized agency, the agency must promptly review its accreditation or preaccreditation of the institution or program to determine if it should also take adverse action or place the institution or program on probation or show cause.

Narrative:

HLC maintains a process for reviewing information related to any negative or adverse action taken under this section regarding institutions that hold status with the Commission. When HLC receives notification that such an action has been taken, HLC promptly requests the underlying materials directly from the institution, which are then initially reviewed by the institution’s HLC Staff Liaison and HLC’s Legal and Regulatory Affairs staff. (See EXHIBIT B.9: Agency Actions Procedure) As noted in this procedure, if the action raises concerns regarding the institution’s compliance with HLC’s standards (including, but not limited to, the Criteria for Accreditation), HLC must take immediate action, which can include the
scheduling of an interim report, Advisory Visit, etc., to be determined by HLC staff based on the nature of the specific case. If the action does not raise such concerns, the materials related to the action will be maintained as part of the institution’s record with HLC. Therefore, those materials will also be made available to the peer review team that conducts the institution’s next routine evaluation. Such materials will therefore be considered in the decision as to whether to reaffirm accreditation following that evaluation and will be considered as described under §602.28(b) and (c). (See EXHIBIT A.1: HLC Policy Book, COMM.C.10.020, p. 192, EXHIBIT B.9: Agency Actions Procedure, and EXHIBIT E.14: Other Agency Action Review Case Study)

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Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency’s policies and procedures require it to initiate a review of an institution when the agency learns that the institution or a program at the institution is subject to a negative or adverse action by another recognized agency (Exhibits A.1, FDCRA.10.090, COMM.C.10.020, and COMM.C.10.030; and B.9). The example provided demonstrates that the agency has implemented this policy (Exhibit E.14). During the virtual file review, Department staff reviewed an additional example to demonstrate implementation of this policy.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department’s review of HLC’s adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.
Analyst Worksheet - Response
Analyst Review Status:

Criteria: 602.28 (e)
Description of Criteria
(e) The agency must, upon request, share with other approved recognized accrediting agencies and recognized State approval agencies information about the accreditation or preaccreditation status of an institution or program and any adverse actions it has taken against an accredited or preaccredited institution or program.

Narrative:
As noted earlier, HLC’s policies and procedures demonstrate a commitment to the Triad. As part of this, HLC policy affords for the provision of institutional information (including team reports, action letters, applications, etc.) to state agencies and other recognized accreditors. As set forth under policy, HLC will provide institutional file information to any state agency or other recognized accreditor upon receipt of a written request. (See EXHIBIT A.1: HLC Policy Book, COMM.C.10.030, p. 194)

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Exhibit 146 EXHIBIT H.5 Effective Administrators Online Seminar Series Overview

Exhibit 154 EXHIBIT A.7 Petition Cover Letter and Exhibit List

Exhibit 80 EXHIBIT D.20 IAC Public Member Position Description

Analyst Worksheet- Narrative
Analyst Review Status:

Meets the requirements of this section

Analyst Remarks to Narrative:

The agency's policies meet the information-sharing with appropriate recognized accrediting agencies and recognized State approval agencies requirements of this section (Exhibit A.1, COMM.C.10.030). During the virtual file review, Department staff reviewed documentation that it shares the information required by this section upon request.

List of Document(s) Uploaded by Analyst - Narrative

No files uploaded

Response:

HLC appreciates the thoroughness of the Department's review of HLC's adherence to the requirements of this section. HLC concurs with the analysis and findings related to this section.

Analyst Worksheet - Response
Analyst Review Status:

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**3rd Party Written Comments**

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Staff Analysis of 3rd Party Written Comments
Over 65 written third-party comments were received regarding this agency, with an overwhelming majority in support of HLC. Most of the comments are from individuals at institutions accredited by HLC, with around half of those serving in a volunteer capacity with the agency. The roles of those commenters range from faculty, vice presidents, deans, and presidents. Beyond institutional representatives, one comment was on behalf of a State higher education agency, one from a 12-state compact, two from State college systems, one from a veteran’s organization, one from a coalition of 16 organizations, one from a public policy think tank, and one from a NACIQI member. Most of the commenters did not tie their comments to specific sections of the Secretary’s Criteria for Recognition.

The comments in support of HLC referenced the positive interactions as an institutional representative, HLC volunteer, or both. The comments included support for HLC’s individualized review of institutions that takes into account the diversity of mission, student body, etc. and HLC’s goal to promote continual institutional improvement. The commenters appreciated the professionalism, support and responsiveness of the agency’s staff, as well as the training provided both institutions and agency volunteers. Many of the commenters remarked on the consistent high standards of HLC to ensure the quality of education provided by accredited institutions.

A few comments were overall supportive of HLC but also offered suggestions for improvement – particularly for renewal of accreditation site visits. One comment from an institutional representative advocated for greater weight to be placed on the collaborative and evidence-based self-study by the site team versus vocal individuals promoting self-interest causes while on-site. Another institutional commenter expressed concern with the training of site visitors and the voluminous and/or unnecessary information requests during site visits. One commenter, who serves as a site team chair, provided suggestions for improving the assessment of student outcomes and requested additional training for
One comment from an institutional representative stated that HLC does not treat two-year institutions fairly, particularly in regard to the assessment of student learning outcomes. The commenter stated that two-year institutions spend an unreasonable amount of time and resources providing information and documentation to HLC and that the time and resources spent does not result in quality improvement of the institution. Instead, the commenter stated that specific outcomes should be sufficient to demonstrate program effectiveness. The commenter also advocated for the Department to assume the role of educational quality authority.

One comment on behalf of a statewide technical college system questioned why HLC has not implemented the flexibility provided in 34 C.F.R. § 602.16(g)(4) to provide separate faculty standards for instructors teaching courses within dual or concurrent enrollment programs or career and technical education courses. For recognition purposes, 34 C.F.R. § 602.16(g)(4) is optional for agencies to implement and HLC did not indicate that it has chosen to do so.

One comment included quoted student and whistleblower complaints about institutions accredited by HLC. It is unclear based on the comment if the complainants utilized the agency's complaint policy and procedures prior to submitting this comment to the Department. The Department does not typically commence an inquiry of an agency based on a complaint unless and until a complainant exhausts the agency’s published complaint procedures. Nevertheless, the agency may respond to the complaints in its response to the draft staff analysis.

Three comments noted student achievement outcomes, legal actions, news stories, etc. related to individual institutions accredited by HLC. The Department’s recognition review process assesses whether or not an accrediting agency meets the Secretary’s Criteria for Recognition (Criteria). Department staff use information and documentation related to individual institutions including student achievement outcomes, legal actions and news articles to ensure that an accrediting agency acts in accordance with both its own policies and procedures and with the Criteria. However, the recognition review process is not intended to review individual institutions that are accredited by the agency. Where applicable, the related comments with the institutional examples are included in the specific regulatory section, to include 34 C.F.R. §§ 602.16(a)(1)(i), 602.16(a)(1)(vii), and 602.16(a)(1)(x).

Two comments are related to institutions and their compliance with the non-Title IV (90/10) revenue requirement. The 90/10 requirement is related to an institution’s eligibility to participate in Title IV funding programs that are administered by the Department’s Office of Federal Student Aid (FSA). While institutional agencies that provide a link to Title IV, HEA programs are required to have and apply standards that set forth clear expectations for an institution’s compliance with Title IV program responsibilities, it is FSA that enforces compliance by institutions with its regulations, including the 90/10 requirement. Institutional agencies that provide a link to Title IV, HEA programs must submit to the Department information that gives the agency reason to believe that an institution it accredits is failing to meet its Title IV, HEA program responsibilities or is engaged in fraud or abuse, per 34 C.F.R. § 602.27(a)(5).

Two comments are related to the use of specific outcomes to determine success with respect to student achievement. Pursuant to 34 C.F.R. § 602.16(a)(1), an agency must have standards that are sufficiently rigorous to ensure that the agency is a reliable authority regarding the quality of the educational training provided by the institutions and programs it accredits. An agency meets this requirement by
setting forth clear expectations in its standards for the institutions or programs it accredits to
demonstrate, among other things, success with respect to student achievement, which may or may not
include specific outcomes. Department staff use a range of information and documentation, including
student achievement outcomes, to ensure that an accrediting agency’s standards are sufficiently
rigorous. However, the Department is specifically limited by the Higher Education Act of 1965, as
amended, at § 496(g), 20 U.S.C. § 1099b(g), from establishing “any criteria that specifies, defines, or
prescribes the standards that accrediting agencies or associations shall use to assess any institution’s
success with respect to student achievement.” Therefore, the Department is prohibited from requiring
an agency to use any specific outcome metrics to assess an institution’s/program’s success with respect
to student achievement. However, in its discussion of 34 C.F.R. § 602.16(a)(1)(i) above, Department staff
raised questions related to the agency’s outcomes review in the application of its standards with respect
to student achievement and in light of the prominence of outcomes within its strategic plan.

One comment noted whistleblower allegations, law enforcement concerns, legal actions, etc. related to
individual institutions accredited by the agency outside of the current recognition period. The scope of
the Department staff’s review focuses on the agency’s compliance with the Secretary’s Criteria for
Recognition since the last recognition decision dated May 9, 2018, to include a review of the agency’s
monitoring and enforcement activities. Accordingly, the agency’s response to the draft staff analysis
should address any monitoring and/or enforcement activities that the agency has undertaken since the
last recognition period with regard to any of the issues identified in the comments and should explain
what steps it has taken (and is currently taking) to monitor and address the types of issues identified in
the comments.

Two comments stated that the Department’s solicitation of written third-party comments occurred
without access to the agency’s petition for recognition. One commenter went further and stated that if
the agency was in compliance with the requirements of 34 C.F.R. § 602.31(f), then there should be no
reason that the agency’s petition could not be made available to the public. Since the information and
documentation could not be provided, the commenter concluded that the agency must be out-of-
compliance with 34 C.F.R. § 602.31(f). This conclusion does not take into account the Department’s role
in processing and decision-making on requests for public disclosure of agency materials, as described in
34 C.F.R. § 602.31(f)(1). In addition, the Department’s solicitation of written third-party comments
sought comment on the agency’s compliance with the criteria in question pursuant to 34 C.F.R. §§
602.32(c) and (l). The purpose of the call for written third-party comment is to allow anyone who has
any knowledge of an agency undergoing a recognition review by the Department and the agency’s
compliance or non-compliance with Departmental regulations to provide that information and/or
documentation so that Department staff can utilize it in the comprehensive analysis of the agency.

One comment is related to the Department’s recognition process for the review of accrediting agencies.
The Department is bound by the regulations at 34 C.F.R. § 602 for the review of agency recognition,
which define the criteria and process. Department staff have forwarded the comment suggesting
changes to the recognition review and process regulations for consideration in the future.

Response to 3rd Party Comments
No response to 3rd Party Written Comments

Staff Analysis of Agency Response to 3rd Party Comments
In response to the draft staff analysis, the agency provided a narrative response to the third-party
comments as HLC Exhibit: HLC Response to Third-Party Comments. That response specifically focused on
the comments from HLC institutions; comments regarding the agency's review of student achievement; comments regarding the agency's review of legal or administrative actions; and comments related to areas outside the scope of the Secretary's Criteria for Recognition. HLC also provided specific information and documentation related to site visitor training, student achievement and monitoring within its responses in 34 C.F.R. §§ 602.15(a)(2), 602.16(a)(1)(i), and 602.19(b).

### Document(s) Uploaded in response to 3rd Party Comments

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<td>HLC Policy Book, June 2022</td>
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<tr>
<td>HLC Response to Third-Party Comments</td>
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### 3rd Party Request for Oral Presentation
There are no oral comments uploaded for this Agency.