

**TO:** State and local entities authorizing postsecondary institutions, programs, or the participation of postsecondary institutions or programs in state or federal programs;  
State, local, and professional organizations establishing or applying requirements for occupational licenses or certifications;  
Agencies for the accreditation of postsecondary institutions and programs, recognized and unrecognized

**FROM:** Ted Mitchell, Under Secretary, U.S. Department of Education

**RE:** Withdrawal of recognition of the Accrediting Council on Independent Colleges and Schools (ACICS) by the U.S. Department of Education: Implications for –  
  
State and local authorization of ACICS-accredited postsecondary institutions and programs and/or participation of those institutions and programs in State or federal programs;  
State, local, and professional licensure and certification requirements and decisions;  
Institutional and programmatic accreditation by other accrediting agencies of ACICS-accredited institutions and of programs within ACICS-accredited institutions

**DATE:** December 12, 2016

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On December 12, 2016 the U.S. Department of Education (“Department”) withdrew its recognition of ACICS as a nationally recognized accrediting agency. The decision was made under Section 496 of the Higher Education Act of 1965, as amended (“HEA”), 20 U.S.C. § 1099b. This is the final decision of the Department. However, as in the case of any administrative proceeding, ACICS may seek legal recourse (including requesting a stay) through the court system; in that event, the Department will provide a notice to that effect on our website [www.ed.gov/ACICS](http://www.ed.gov/ACICS).

### **Background**

The Department’s decision, found [here](#), was based on a review of ACICS’s compliance with federal recognition criteria, and on ACICS’s lack of effectiveness in applying those criteria. See 20 U.S.C. § 1099b; 34 CFR Part 602. The Department did not conduct a direct review of the academic quality of each ACICS-accredited institution.

Although the decision precludes ACICS at this time from continuing to serve as a federal quality-control “gatekeeper” for the HEA’s federal student aid programs, the HEA does permit the Department to provisionally certify ACICS-accredited institutions for continued participation in the federal student aid programs for up to 18 months from the date of the Department’s decision, to enable those institutions to seek alternative institutional accreditation from

another recognized accrediting agency. The Department intends to exercise that discretion for institutions currently accredited by ACICS, subject to requirements at 34 CFR 602.28 with respect to any ACICS-accredited institution that is on probation or an equivalent status with ACICS or that faces a pending decision by ACICS to withdraw accreditation or pre-accreditation.

**Implications for States, localities, occupational licensing and certifying bodies, and other accrediting agencies**

The Department is aware that States, localities, occupational licensing and certifying bodies, and other accrediting agencies, recognized and unrecognized, frequently rely in part on the presence or absence of recognized institutional accreditation in determining eligibility of a postsecondary institution or program for authorization or accreditation, or in determining whether graduates meet prerequisites for obtaining occupational licensure or certifications. While the interpretation, application, and/or amendment of those State, local, professional, and accrediting requirements are external to the Department and outside the Department's purview, the Department considers such schools as holding federally recognized accreditation for a period of up to 18 months. This will be clarified through the provisional program participation agreements (PPPAs) the Department will make available to qualified ACICS-accredited institutions for the 18-month period, each of which will provide that the Department deems the signatory institution to hold recognized accreditation while the PPPA remains in effect, which shall be no longer than 18 months. Those PPPAs will also include a number of provisions to ensure continued oversight, monitoring, and transparency for students, including increasing the strength of those protections for institutions not on track to find another accreditor within 18 months.

The Department views recognition of an institution's accrediting agency as establishing a very important threshold in terms of academic quality of postsecondary education. However, loss by the accrediting agency of its recognition is not in itself direct evidence of a lack of quality or misconduct on the part of each institution or program fully accredited by that agency – in contrast to, for example, a decision by the accreditor to withdraw accreditation from or sanction the institution or program, or even a decision by the institution or program not to seek accreditation in the first place.

The Department does require that a programmatic accrediting agency that is recognized under the second clause of 34 CFR § 602.14(a)(3)(ii) accredit at least some programs that are housed within "institutions that are accredited by a nationally recognized accrediting agency." Beyond that, the Department concurs with policies that most recognized programmatic accrediting agencies have limiting their grants of accreditation to programs then housed in institutions holding recognized institutional accreditation.

The Department does not believe, however, that sound accrediting policy mandates an immediate, across-the-board loss of accreditation for all programs located within all institutions accredited by an institutional accreditor that has just lost its federal recognition. In such a situation, the Department agrees that a recognized programmatic accrediting agency could establish a policy that, in appropriate circumstances, allows a reasonable period of time for the

institution to obtain alternative recognized accreditation before programmatic accreditation is withdrawn. Of course, an agency applying such a policy would need to ensure it remained in compliance with 34 CFR § 602.28, including giving effect to any sanction or adverse action taken against the institution by the original institutional accreditor prior to loss of recognition.

For any questions, please contact Herman Bounds, Director, Accreditation Group,  
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