

NWCCU POLICIES | PROCEDURES REQUIRED TO CLOSE A PROGRAM, BRANCH CAMPUS, OR INSTITUTION

The purpose of this policy is to identify the processes and procedures required to close a program, branch campus or institution and the requirements to implement teach-out plans and/or agreements.

The decision to close a program, branch campus, or Institution requires thoughtful consideration by the governing body of the institution. The Northwest Commission on Colleges and Universities (“NWCCU”) seeks to ensure that a decision to close a program, branch campus or institution results in the equitable treatment of all affected constituencies. Immediate interests of current students and faculty are most directly affected, their present and future prospects require especially sensitive attention. The final decision to close, however, rests with the governing body of the institution.

Teach-Out Plans

A teach-out plan is a written plan that provides for the equitable treatment of students and a reasonable opportunity for students to complete their program of study. In accordance with the Code of Federal Regulations, the institution is required to submit the teach-out plan to NWCCU for approval prior to its implementation. A teach-out agreement(s) may be included as part of its teach-out plan.

Teach-Out Agreements

A teach-out agreement is a written agreement between two or more institutions that provides for the equitable treatment of students and a reasonable opportunity for students to complete their program of study. If an institution includes a teach-out agreement as part of its teach-out plan, the agreement must be submitted to NWCCU for approval prior to its implementation.

Circumstances that Require a Teach-Out Plan

The Code of Federal Regulations requires that an institution submit a teach-out plan to NWCCU in the event of any of the following:

1. United States Department of Education (“USDE”) notifies NWCCU of an emergency action or action to limit, suspend, or terminate institutional participation in federal financial aid; or
2. NWCCU acts to withdraw, terminate, or suspend the accreditation or candidacy status of institution; or
3. a state licensing or authorizing agency notifies NWCCU that institution’s license or legal authorization to provide an educational program has been or will be revoked; or
4. an institution notifies NWCCU that it intends to cease operations; or
5. an institution notifies NWCCU that it intends to close one or more locations that provide 100% of at least one degree program; or
6. an institution notifies NWCCU that it will cease instruction in one or more degree programs before all students have a reasonable opportunity to graduate.

Early Notification

The institution must immediately provide written notice to NWCCU, the USDE, and appropriate state agencies as soon as it is aware of a circumstance that requires a teach-out plan.

Submission of Teach-Out Plans and Teach-Out Agreements

The institution must submit teach-out plans and teach-out agreements to NWCCU for review and approval prior to implementation. The institution must identify an estimated teach-out period during which time it will complete the teach-out plan and any teach-out agreement(s). The length of the teach-out period could range from 12 to 18 months for a plan based solely on transfers to other institutions to 24 to 36 months for a traditional teach out of a closing academic program. NWCCU may approve a longer teach-out period when the institution provides evidence that an extended period is warranted to equitably allow for students to complete their education and provides assurance that the institution will continue to meet NWCCU's Standards for Accreditation, Policies, and federal and state regulations. A teach-out period may not extend beyond the date that an institution holds legal authorization or degree granting authority.

An institution that plans to teach out some or all of its own students must demonstrate the ability to do so. The institution may elect to enter in to a teach-out agreement(s) with other institutions that have candidate for accreditation status or accreditation status with an accrediting agency recognized by the USDE. NWCCU will not process the institution's teach-out plan until a signed copy of a teach-out agreement(s) is provided. NWCCU has the discretion to require the institution to enter into a teach-out agreement(s) with institutions meeting the criteria stated below. NWCCU may identify other institutions that can meet the criteria.

Review and Action on Teach-Out Plans and Teach-Out Agreements

In accordance with the Code of Federal Regulations, NWCCU will review the teach-out plan(s) to ensure it meets its Standards for Accreditation and Policies including, but not limited to: the teach-out plan is comprehensive and capable of implementation; the teach-out plan provides for the equitable treatment of students to complete their education; the institution specifies and provides written notice to students of additional financial charges, if any; and, the institution provides specific details and custodial agreement to create a long-term repository for student academic records and transcripts and will indicate how transcripts will be made available to individuals impacted by the closure without charge during the teach-out period.

In accordance with the Code of Federal Regulations, if a teach-out agreement was required by NWCCU or if the institution elected to enter into a teach-out agreement(s), NWCCU will approve the teach-out agreement(s) only if the agreement(s): are consistent with applicable Standards for Accreditation, Policies, and state and federal regulations; provide for equitable treatment of students to complete their education with an institution that has the necessary experience, resources, and support services to provide a program of acceptable quality and reasonably similar in content, structure, and scheduling to that provided by the institution ceasing operations; are between institutions that have candidate for accreditation status or accreditation status with an accrediting agency recognized by the USDE and are in good standing with those accrediting agencies; and are signed by each institution subject to the agreement(s).

The teach-out plan and documents will be reviewed by NWCCU staff and USDE regional staff.

NWCCU will take an accreditation action and approve the teach-out plan:

1. if it is consistent with NWCCU's Standards for Accreditation, Policies, and applicable state and federal regulations;

2. if it provides that the institution will ensure 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 to that promised to the students upon enrollment;
3. if it demonstrates the institution's stability and the ability to carry out its mission and meet all obligations to existing students;
4. if it offers the program to students without additional charge over what had been previously in place; and
5. when another institution is involved in the teach-out, if the receiving institution can provide students access to the program without requiring them to move or travel substantial distances, and attests that written notification has been given to students of additional charges, if any.

Notification Obligations

NWCCU will notify the member institution, USDE, appropriate state licensing or regulatory agencies, and the public of the accreditation action taken by NWCCU on the teach-out plan. If the teach-out plan includes a program that is accredited by another recognized accrediting agency, NWCCU will notify that accrediting agency of NWCCU's approval of the teach-out plan. Once the teach-out plan and teach-out agreement(s) have been acted upon, NWCCU will display a statement about the teach-out plan for the institution's listing on NWCCU's website. The institution must prominently display a disclosure about the teach-out plan on its website. The institution's website disclosure must clearly provide the reasons for and purpose of the teach-out plan. If the institution enters into a teach-out agreement(s), the website disclosure must name the teach-out partner institution along with copies of the teach-out agreement(s) and any additional information that may be helpful to students that transfer to the teach-out institution.

Continuing Obligations of Institution

The institution is required to continue to meet NWCCU's Standards for Accreditation, Policies and federal and state regulations throughout the teach-out period and/or until the date NWCCU's accreditation ceases. The institution must continue to pay NWCCU dues and fees during the teach-out period. The institution must satisfy all accreditation activities in accordance with its accreditation review cycle or as requested in prior action by NWCCU. NWCCU will monitor the implementation of the teach-out plan and will take action if the institution fails to implement the NWCCU approved teach-out plan and agreement(s). Finally, the institution must provide biweekly updates to NWCCU regarding the teach-out and transfer efforts from the date of approval through the date operations cease.

Noncompliance with this Policy

If the candidate or accredited institution closes without an approved teach-out plan, NWCCU will work with the USDE and appropriate state agencies, to the extent feasible, to assist students in finding reasonable opportunities to complete their education. NWCCU will display on its website that the former candidate or accredited institution closed without an approved teach-out plan. NWCCU may restrict an institution's future application for candidate for accreditation status if the applicant institution previously closed or ceased operations without an approved teach-out plan, or if the proposed new owners or managers were directly or indirectly involved with an institution that previously closed or ceased operations without an approved teach-out plan.

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