

## BP102 - Definitions

Reference:	34 CFR §600.2
Adoption Date:	June 2013
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These definitions apply to both the TRACS Accreditation Standards and Policies and Procedures.

**Ability-to-Benefit Student:** A student who does not meet the regular admissions criteria for the institution or program, who is admitted on a provisional basis and is provided the opportunity and assistance to succeed.

**Accredited Institution:** An institution accredited by an accrediting agency approved by the U.S. Department of Education or an equivalent foreign government agency.

**Adequate Facilities (Distance Education Only Institutions):** Distance Education only institutions must maintain a permanent physical facility that supports its educational offerings and business operations in a professional setting. The facility is maintained at a fixed geographic location that is appropriately licensed or authorized, as required by local and state regulatory authorities. A Post Office box is not a physical facility address.

**Adverse Action** - TRACS considers Denial, Withdrawal, Suspension, Revocation or Termination of Candidacy or Accreditation of an institution to be synonymous Adverse Actions in that these actions all result in the loss of Candidacy or Accreditation. Adverse Actions are public actions which may be appealed according to TRACS policy BP219 - Appeals. (see TRACS policy BP211)

**Applicant Institution:** An institution whose application has been approved by the TRACS Application Review Committee (ARC).

**Basic Compliance:** A determination of full compliance with all Standards related to the Institutional Eligibility Requirements (IERs) and the ability to demonstrate compliance with all Standards within the period of candidacy.

**Branch Campus:** An additional location of an institution that is geographically apart from and independent of the main campus of the institution. TRACS considers a location of an institution to be independent of the main campus if the location (a) is approved by the US Secretary of Education as a Branch Campus; (b) is permanent in nature; (c) offers courses in educational programs leading to a degree, certificate, or other recognized educational credential; (d) has its own faculty and administrative or supervisory organization; and (e) has its own budgetary and hiring authority. (34 CFR §600.2)

**Candidate Institution:** An institution which has been granted pre-accredited status by action of the Accreditation Commission indicating that the institution has been found in Basic Compliance.

**Certified External Audit:** An audit performed in conformity with generally accepted accounting principles (GAAP) or Government Auditing Standards (GAGAS) and federal guidelines (or appropriate standards for those institutions located outside the United States) by auditors who are:

- Licensed
- Approved or authorized to conduct audit services in the locale where the audited institution is domiciled
- Not sanctioned or under investigation
- Independent with respect to the institution (e.g., auditors are not members of the governing board, not employees of the institution, and not involved in the decision making activity, etc.).

**Concentration /Area of Emphasis:** 10 or more semester credit hours / 15 or more quarter hours where all the courses are within the same or a related field.

**Contingency Reserve:** The TRACS Accreditation Commission requires that institutions demonstrating compliance with TRACS expectations regarding the use of a contingency reserve provide evidence of the following: Board action establishing a contingency reserve and directing the deposit of the required funds into a separate account, bank statement(s) indicating required deposit, Board approved policies directing the use of and repayment of the contingency reserve and Board approved investment policy directing the investing of the contingency reserve funds.

**Correspondence Education:** Education that is provided through one or more courses by an institution under which the institution provides instructional materials, by mail or electronic transmission, including examinations on the materials, to students who are separated from the instructor. Interaction between the instructor and the student is limited, is not necessarily regular and substantive, and is primarily initiated by the student. Correspondence Education courses are typically self-paced. Correspondence Education is not Distance Education.

*This definition of Correspondence Education is provided to ensure that an institution's Distance Education meets the definition of Distance Education and does not fall to the level of Correspondence Education. Correspondence Education is not reviewed by TRACS and is not included in an institution's scope of recognition with TRACS.*

**Corresponding Institution:** An institution which has made initial contact with TRACS.

**Direct Assessment Program:** An instructional program that, in lieu of credit hours or clock hours as a measure of student learning, uses direct assessment of student learning, or recognizes the direct assessment of student learning by others.

**Distance Education:** Education that uses one or more of the technologies listed to deliver instruction to students who are separated from the instructor and to support regular and substantive interaction between the students and the instructor, either synchronously or asynchronously. The technologies may include the internet; one-way and two-way transmissions through open broadcast, closed circuit, cable, microwave, broadband lines, fiber optics, satellite, or wireless communications devices; audio conferencing; or other media, if used in a course in conjunction with any of the technologies listed above.

**Dually Accredited:** An institution holding active accreditation, either institutional or programmatic, by more than one ED-recognized agency.

**Extension Site:** A location separate from the main campus of the institution which requires specific authority to operate where courses offered on-site comprise less than 50 percent of all educational programs offered by the institution.

**Financial Stability:** Institutions are able to evidence a history of finances adequate to support the existing programs and to assure the continuity of the essential operations beyond the date when current students would complete their degree programs. Events which indicate a lack of financial stability include negative Change(s) in Total Net Assets or Retained Earnings, enrollment decline of 20% or more, notification from the Department of Education of composite score below 1.5, the use of pledges to achieve a positive change in Net Assets without Donor Restrictions or the required liquidity is substantially depleted.

**Focus Visit:** The visiting of an institution by either a small team or staff required for the review of a specific issue.

**Full-Time Chief Academic Officer:** An individual who has a full-time contract with the institution; whose possesses the professional experience and competence for the assigned position, whose earned degrees from accredited institutions are appropriate to the assigned responsibilities; whose salary is fixed and not contingent; whose job responsibilities are specifically spelled out in a board approved job description; whose primary professional employment is with the institution; and whose outside professional activities do not detract from the specified job responsibilities.

**Full-Time Chief Executive Officer:** An individual who has a full-time contract with the institution; whose possesses the professional experience and competence for the assigned position, whose salary is fixed and not contingent; whose job responsibilities are specifically spelled out in a board approved job description; whose primary professional employment is with the institution; and whose outside professional activities do not detract from the specified job responsibilities.

**Full-Time Faculty:** A faculty member who has a full-time contract with the institution; whose earned degrees from accredited institutions are directly related to courses to be taught; whose salary is fixed and not contingent; whose job responsibilities are specifically spelled out in a board approved job description; whose primary professional employment is with the institution; and whose outside professional activities do not detract from the specified job responsibilities.

**Institutional Change:** Any modification (academic or non-academic) that has either been implemented (those requiring notification but not approval) or is being proposed for implementation (those requiring the approval of either the President of TRACS or the Accreditation Commission) by the institution that differs from the institution's current scope of recognition with TRACS.

**Institutional Independence:** The Board of the institution has sufficient independence from any external entity (including financial independence), such that it is solely accountable for meeting the TRACS Standards.

**Institutional Eligibility Requirements:** The Standards associated with The TRACS Accreditation Requirements and the Standards noted as Federal Requirements with which an institution must demonstrate compliance in order to be accepted as an Applicant and subsequently authorized to begin the Self-Study process for consideration by the Accreditation Commission for Candidate level recognition.

**Institutional Objectives:** Broad, mission-driven statements that describe what an institution intends to accomplish in fulfilling its mission. They define the institution's strategic aims and priorities for education, service, and effectiveness – serving as a foundation for planning, assessment, and improvement.

**Institutional Outcomes:** Measurable results or indicators that demonstrate the extent to which the institution has achieved its stated objectives and mission. They provide evidence of effectiveness and are used to guide continuous improvement.

**Instructional Site:** A location separate from the main campus of the institution which does not require specific authority to operate where courses offered on-site comprise less than 50 percent of all educational programs offered by the institution.

**Major:** Minimum 30% percent of a program's total credit hours, all within the same or a related field of study.

**Monitoring:** A requirement imposed on an institution by the President of TRACS to submit compliance information (e.g., monthly financial reports) as requested by staff.

**National Norms:** a reference to practices, terms, or policies which are common in American higher education.

**Part-Time/Adjunct Faculty:** A faculty member who has a contract with the institution to teach one or more specifically identified courses for one or more specified academic terms; whose earned degrees from accredited institutions are directly related to courses to be taught; and whose job responsibilities are specifically spelled out in a board approved job description. The institution may designate these faculty members as part-time or adjunct; however, only those contracted to teach in the current or most recently completed academic year may be included in any published faculty listing.

**Primary Accreditor:** The ED-recognized accrediting agency that provides institutional accreditation and is designated by the institution as its primary accreditor. The primary accreditor is the main accreditor responsible for initial/on-going institutional recognition including, if applicable, certification of eligibility for Federal Financial Aid programs.

**Program Area:** A general group of academic disciplines in which one or more-degree programs, certificates or diplomas may be offered.

**Professionally Qualified Librarian:** An individual who has earned a Master's in Library Science, or its equivalent, from an accredited institution and who is capable of leading library development and operations.

**Sanctions** - TRACS considers Warning, Probation, and Show Cause (listed in order of degree of non-compliance) to be Sanctions. Sanctions are public actions which may not be appealed. (see TRACS policy BP211)

**Regular Interaction:** With regards to Distance Education, the institution ensures regular interaction by providing opportunity for substantive interaction with the student on a predictable and scheduled basis commensurate with the length and content of the course; and monitors academic engagement/success and ensures the instructor is responsible for promptly and proactively engaging in substantive interaction with the student when needed. Interactions should be mostly instructor-initiated. (see Substantive Interaction)

**Remote Location** - Any location apart from an institution's main campus where on-site instruction is offered. Remote Locations are classified as either an Instructional Site, an Extension Site, a Teaching Site, or a Branch Campus. (see applicable definitions)

**Secondary Accreditor:** An ED-recognized accrediting agency providing either institutional or programmatic accreditation for an institution which holds institutional accreditation from a primary accreditor.

**Substantive Interaction:** With regards to Distance Education, engaging students in teaching, learning, and assessment, consistent with the content under discussion, and includes at least two of the following: 1) direct instruction 2) assessing or providing feedback on a student's coursework; 3) providing information or responding to questions about the content of a course or competency; 4) facilitating a group discussion regarding the content of a course or competency; 5) other instructional activities approved by the accrediting agency. (See Regular Interaction)

**Sufficient Faculty:** Compliance with the requirement for the institution to employ a "sufficient number of full-time and part-time faculty" (Standard 9.1) is demonstrated when the institution employs an adequate number of qualified faculty to carry out the following duties: design, develop, and evaluate the curriculum required for the educational programs offered; offer instruction for the courses required for completion of the programs within the timeframes prescribed; identify and assess appropriate learning outcomes at the program and course levels and; offer appropriate academic advising.

**Teaching Site:** TRACS defines a Teaching Site as either (a) an additional location of an institution that is geographically apart from the main campus of the institution and at which the institution offers at least 50 percent of any educational program and may qualify as a Branch Campus, or (b) a Federal, State, or local penitentiary, prison, jail, reformatory, work farm, juvenile justice facility, or other similar correctional facility where instruction is offered regardless of the percentage of instruction delivered on-site or through Distance Education. (34 CFR §600.2)

**Vocational Technical Education (VoTech):** A structured educational pathway designed for direct entry into skilled occupations culminating in a sub-baccalaureate credential (certificate, diploma, or associate's degree) and delivering practical, job-ready skills and knowledge that prepare learners for both current and emerging roles.

## BP203 - Annual Reporting

Reference: 34 CFR §602.19(b)  
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All member institutions are required to submit an **Annual Operational Report (AOR)** and an **Annual Financial Report (AFR)** via the TRACS portal, each year by the dates specified in notifications from TRACS.

### Annual Operational Report

Institutions are evaluated each year using data submitted in the Annual Operational Report (AOR). The AOR provides data related to such matters as enrollment, assessment, student learning and any significant developments which have occurred at the institution since the submission of the previous year's AOR.

Upon receipt of the AOR and supporting documents, TRACS staff conducts a review of the materials and prepares an Annual Operational Report Summary. The Annual Operational Report Summary includes both quantitative and qualitative data and focuses on institutional compliance with the Accreditation Standards.

Data gathered from AORs is used to:

- Monitor increases or decreases of 20% or more (minimum increase or decrease of 20 students) in any program or by any institution.
- Verify that the institution employs sufficient faculty for the programs offered.
- Monitor success of institutions in student achievement (both undergraduate and graduate).
- Verify that all Remote Locations have been properly approved, are still operating, and meet the designated definition.
- Verify Distance Education authorization.
- Identify other accreditations held by TRACS accredited institutions.

All compiled data submitted in the AOR is confidential and is used by TRACS staff and, when appropriate, by the Accreditation Commission for consideration of recommendations and decisions.

[Failure to submit the institution's AOR when due will result in the imposing of an administrative fee of \\$1,000.00 per month for each month or portion of month that the AOR is late and violate places the institution in violation of Accreditation Standard 6.13.](#)

### Annual Financial Report

The Annual Financial Report (AFR) provides the data necessary for TRACS staff to evaluate the institution's financial stability and sustainability as well as the institution's compliance with Department of Education participation requirements and Internal Revenue Service filings.

Documents required with the AFR submission each year include:

- The institution's current certified audit report with management letters
- The institution's most recent tax return

Other documents may be required in any given year.

The required submission date for the AFR will be determined by the fiscal year end of the institution.

Failure to submit the institution's AFR when due will result in the imposing of an administrative fee of \$1,000.00 per month for each month or portion of month that the AFR is late, and violate Standard 6.13.

Failure to include the institution's certified annual audit at the time of the submission of the AFR ~~puts places~~ the institution in violation of TRACS Accreditation Standard 6.13s and policy expectations, introduces the possibility of administrative action by the U.S. Department of Education regarding the institution's Title IV eligibility, and makes the institution subject to an Institutional Staff Review - Financial (BP207), and the possible imposing of a sanction at the next Accreditation Commission meeting. ~~Additionally, failure to submit the institution's certified annual audit within 5 months of the close of the institution's fiscal year may result in the imposing of an administrative fee of \$500.00 per month for each month or portion of month that the audit is late.~~

Additionally, failure to submit the institution's certified annual audit within 6 months of the close of the institution's fiscal year will result in the imposing of an administrative fee of \$1,000.00 per month for each month or portion of month that the audit is late.

# BP211 - Sanctions and Adverse Action

Reference: §602.18 (d) and §602.20  
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The Transnational Association of Christian Colleges and Schools (TRACS) requires its member institutions to remain in and demonstrate compliance with the Accreditation Standards as detailed in the TRACS Accreditation Manual. Additionally, member institutions must comply with TRACS policies and procedures and with all applicable Federal Regulations. Institutions must provide compliance information, as requested, by TRACS staff and/or the Accreditation Commission in order to maintain membership. When an institution fails to comply with these requirements within the maximum allowable time period, the Accreditation Commission is required to take action against the institution in one of the ways defined in Section A of this policy.

## A. Definitions

1. **Sanctions** - TRACS considers Warning, Probation, and Show Cause (listed in order of degree of non-compliance) to be Sanctions. Sanctions are public actions which may not be appealed.
2. **Adverse Action** - TRACS considers Denial, Withdrawal, Suspension, Revocation or Termination of Candidacy or Accreditation of an institution to be synonymous Adverse Actions in that these actions all result in the loss of Candidacy or Accreditation. Adverse Actions are public actions which may be appealed according to TRACS policy BP219.

## B. Methods for Determining Institutional Non-Compliance

1. **Evaluation Team or Focus Team Visit** - Non-compliances with Accreditation Standards, TRACS policies and procedures and any applicable Federal Regulations which are discovered as a result of an Evaluation Team or Focus Team visit, are normally addressed according to the review and response processes described in TRACS policy BP305. The process described in BP305 includes the appropriate timelines for demonstrating compliance as described in Section C.2. of this policy. However, the review and response processes outlined in BP305 do not prevent the Accreditation Commission from taking any of the actions detailed in this policy (BP211) as deemed appropriate.
2. **Interim Fifth-Year Review** - Non-compliances with Accreditation Standards, TRACS policies and procedures and any applicable Federal Regulations which are discovered as a result of an institution's participation in the Interim Fifth-Year Review (IFYR) process are normally addressed according to the review and response processes described in TRACS policy BP310. The process described in BP310 includes the appropriate timelines for demonstrating compliance as described in Section C.2. of this policy. However, the review and response processes outlined in BP310 do not prevent the Accreditation Commission from taking any of the actions detailed in this policy (BP211) as deemed appropriate.
3. **Annual Reporting** - Non-compliances with Accreditation Standards, TRACS policies and procedures and any applicable Federal Regulations which are discovered as a result of an institution's submission of an Annual Operational Report (AOR) or an

Annual Financial Report (AFR) are normally addressed according to the review and response processes described in TRACS policy BP203. The process described in BP203 includes the appropriate timelines for demonstrating compliance as described in Section C.2. of this policy. However, the review and response processes outlined in BP203 do not prevent the Accreditation Commission from taking any of the actions detailed in this policy as deemed appropriate.

4. **Institutional Staff Review / Institutional Staff Review Financial** (Financial Monitoring) - Non-compliances with Accreditation Standards, TRACS policies and procedures and any applicable Federal Regulations which are discovered as a result of a completed Institutional Staff Review (ISR) or Institutional Staff Review Financial (ISRF) shall require the Accreditation Commission to take appropriate action (Sanctions or Adverse Action) against the non-compliant institution. The review, response, and determination processes for an ISR / ISRF are described in TRACS policy BP207.

Institutions addressing non-compliance with Accreditation Standards, TRACS policies and procedures and any applicable Federal Regulations via the processes prescribed in BP305, BP310 or BP203 are not normally considered to be under Sanction, unless so designated by the Accreditation Commission. If the institution fails to demonstrate compliance with the matters in question within the allowable timeframe, the institution shall be considered for immediate Adverse Action upon the expiration of the allowable timeframe for demonstrating compliance.

### **C. Recommendations for Sanctions or Adverse Action**

**Sanctions** - After receiving and reviewing the institution's response associated with the ISR / ISRF (Financial Monitoring) process, or as deemed appropriate by the Accreditation Commission, with any process described in Section B. 1, 2, and 3 of this policy (BP305, BP310 or BP203), the President of TRACS will make one of the following determinations:

1. If the President determines that the institution demonstrates compliance with the issues in question and that no follow-up action is required, within 30 days of this determination, the President of TRACS will send a written notice to the institution's Chief Executive Officer indicating the review has been completed and that no follow-up action is required. The President of TRACS will report on the review and determinations to the Accreditation Commission; however, the review and determinations will remain confidential. Should the compliance be considered marginal, the President may require continued staff monitoring to ensure on-going compliance. Such monitoring may require additional reporting.
2. If the President determines that the institution does not demonstrate compliance with one or more of the TRACS Accreditation Standards, TRACS policies and procedures and / or any applicable Federal Regulations, the President of TRACS shall recommend that the Accreditation Commission, at its next regularly scheduled meeting, place the institution under the appropriate Sanction and thus require the institution to take necessary action to demonstrate compliance with the agency's Accreditation Standards, TRACS policies and procedures or any applicable Federal Regulations within the timeframe allowed. Institutions to be considered for Sanction by the Accreditation Commission shall be notified by the President of TRACS at least 30 days prior to the meeting where the action will be considered.

If the Accreditation Commission places an institution under Sanction (Warning, Probation, or Show Cause), it must limit the timeframe for the institution to demonstrate compliance to the following:

1. Twelve months, if the program, or the longest program offered by the institution, is less than one year in length.
2. Eighteen months, if the program, or the longest program offered by the institution, is at least one year, but less than two years, in length.
3. Two years, if the program, or the longest program offered by the institution, is at least two years in length.

Institutions placed under Sanction by the Accreditation Commission will receive notification within 30 days of the action, detailing the TRACS Accreditation Standard(s), TRACS policies and procedures and/or any applicable Federal Regulations with which the institution is in non-compliance, the process to be utilized for monitoring the institution's progress towards demonstrating compliance, and the timeframe allowed for the institution to demonstrate compliance.

The Accreditation Commission will review compliance progress by the institution under Sanction either (a) on an annual basis, or (b) at any meeting of the Accreditation Commission as deemed necessary. The institution will utilize the TRACS portal Compliance Report process for submitting compliance progress updates. Compliance Reports must be submitted by March 1 for Commission consideration at the April meeting, by September 1 for Commission consideration at the October meeting, or by a determined date for Commission consideration at any other meeting. [§602.18 (d)].

**Adverse Action** – For institutions addressing non-compliances according to the processes outlined in Section B. 1,2, and 3 of this policy (BP305, BP310 or BP203) or for institutions addressing non-compliances while under Sanction, if the institution fails to bring itself into compliance within the specified timeframe, the President of TRACS shall recommend that the Accreditation Commission, at its next regularly scheduled meeting, take Adverse Action against the institution. [§602.20(b)] Institutions to be considered for Adverse Action by the Accreditation Commission shall be notified by the President of TRACS at least 30 days prior to the meeting where the action will be considered. At that meeting, the Accreditation Commission will take one of the following actions:

1. If the Accreditation Commission takes Adverse Action (Denial, Withdrawal, Suspension, Revocation or Termination of Candidacy or Accreditation) against an institution, the institution will receive notification within 30 days of the action, detailing the Accreditation Standard(s), TRACS policies and procedures or any applicable Federal Regulations with which the institution is in non-compliance and will be informed of the option to file an appeal of the action according to TRACS policy BP219.
2. The Accreditation Commission may "... for good cause, extend the period for achieving compliance." [§602.20(b)] Extensions granted under this provision will not be the normal procedure, will not be used repeatedly, and may not extend beyond the term of recognition for the institution's accreditation status. If the Accreditation Commission grants an extension, the institution will receive notification within 30 days of the action, detailing the Accreditation Standard(s), TRACS policies and procedures or any applicable Federal Regulations with which the institution remains

in non-compliance and will be informed regarding the timeframe for the extension and the processes to be utilized by the institution for demonstrating compliance.

Additionally, if an extension is granted to an institution that was under sanction at the time of consideration, the institution will remain under the Sanction that was in place at the time of the Accreditation Commission's consideration of Adverse Action until the end of the extension period. At the conclusion of the extension period the institution will be required to demonstrate compliance with the issues in question or face Adverse Action.

3. The Accreditation Commission may limit the Adverse Action to a particular program or to a particular Remote Location (Instructional Site, Extension Site, Teaching Site, or Branch Campus) if it concludes that the noncompliance is limited to that particular program or location.
4. In imposing an Adverse Action, the Accreditation Commission may maintain the institution, program, or location's status long enough to enable the institution, program, or location to fulfill any Teach-Out Plan or Teach-Out Agreements in order to assist the current students in transferring or completing their course of study.

The processes and general progression of actions described above do not prevent the Accreditation Commission from taking any of the actions (Sanctions or Adverse Action) detailed in this policy as deemed appropriate and without consideration of previously imposed actions.

#### **D. Degrees of Non-Compliance Leading to Sanctions or Adverse Action**

The determined degree of non-compliance will serve as the general basis for the specific action (Sanctions or Adverse Action) to be considered by the Accreditation Commission:

1. **The institution's non-compliance with the Accreditation Standards, or TRACS policies and procedures is relatively insignificant, does not involve any of the Accreditation Standards associated with an Institutional Eligibility Requirement, and does not rise to the level where the institution's ability to fulfill its mission or to provide a quality educational experience consistent with that associated with an accredited post-secondary institution is in question.** - This determination reflects a level of non-compliance which must be corrected by the institution and requires the imposition of a Sanction by the Accreditation Commission. It is a level of non-compliance which, in the professional judgment of the members of the Accreditation Commission, the institution will be able to correct within the timeframe allowable by federal regulations and which the institution has, or can reasonably obtain, the resources needed to correct. Such a determination would normally require the Accreditation Commission to place the institution on **Warning**.
2. **The institution's non-compliance with the Accreditation Standards, TRACS policies and procedures or any applicable Federal Regulations is significant and/or concerns one or more of the Accreditation Standards associated with an Institutional Eligibility Requirement, and rises to the level where the institution's ability to fulfill its mission or to provide a quality educational experience consistent with that associated with an accredited post-secondary institution is in question.** - This determination reflects a level of non-compliance which must be corrected by the institution and requires the imposition of a Sanction by the Accreditation Commission. It is a level of non-compliance which, in the professional

judgment of the members of the Accreditation Commission, the institution must correct immediately and which the institution has, or can reasonably obtain, the resources needed to correct. Such a determination would normally require the Accreditation Commission to place the institution on **Probation**.

3. **The institution's non-compliance with the Accreditation Standards, TRACS policies and procedures or any applicable Federal Regulations is serious and/or concerns one or more of the Accreditation Standards associated with an Institutional Eligibility Requirement, and immediately threatens the institution's ability to fulfill its mission or to provide a quality educational experience consistent with that associated with an accredited post-secondary institution.** - This determination reflects a level of non-compliance which must be corrected by the institution and requires the imposition of a Sanction by the Accreditation Commission. It is a level of non-compliance which, in the professional judgment of the members of the Accreditation Commission, the institution must correct immediately and which the institution may not have the resources needed to correct. Such a determination would normally require the Accreditation Commission to place the institution on **Show Cause**.
4. **The institution fails to demonstrate compliance with Accreditation Standards, TRACS policies and procedures or any applicable Federal Regulations within the timeframe allowed for demonstrating compliance and the non-compliance is convincingly significant and/or concerns one or more of the Accreditation Standards associated with an Institutional Eligibility Requirement, and the institution's inability to fulfill its mission or to provide a quality educational experience consistent with that associated with an accredited post-secondary institution is clear.** - This determination reflects a level of non-compliance which usually requires the imposition of **Adverse Action** by the Accreditation Commission. It is a level of non-compliance which, in the professional judgment of the members of the Accreditation Commission, the institution does not have the resources needed to correct.

#### **E. Accreditation Commission Action**

The Accreditation Commission may only act on a recommendation for a Sanction or Adverse Action when notification of the recommendation is received by the relevant institution at least 30 days prior to the Accreditation Commission's consideration of the recommendation. An exception to this 30 day requirement may occur when (1) the President of TRACS determines that an institution's non-compliance with the Accreditation Standards, TRACS policies and procedures or any applicable Federal Regulations is substantively significant and immediately threatens the institution's ability to fulfill its mission or to provide a quality educational experience consistent with that associated with an accredited post-secondary institution; or (2) the ISR/ISRF could not be completed in time to make the recommendation at least 30 days before the Accreditation Commission's meeting; and (3) the President of TRACS notifies the institution of the possibility of such a recommendation at least 30 days before the Accreditation Commission's meeting, and the President of TRACS makes the recommendation for adverse action at least 5 days before the Accreditation Commission's meeting.

When recommending that either a Sanction or Adverse Action be taken, the President of TRACS will provide all relevant information on the institution to the Accreditation

Commission at least 30 days in advance of the meeting where the recommended action is to be considered. The Accreditation Commissions will review the information related to the recommended action to determine if the recommendation of the President of TRACS is appropriate. The President of TRACS may require a staff visit to the institution to gather additional information which may be needed to prepare the report for the Accreditation Commission's review.

In all instances where the Accreditation Commission will consider either a Sanction or Adverse Action, the institution will be given an opportunity to respond in writing to the President's recommendation and to appear before the Accreditation Commission to answer questions or to provide any information which became available only after the President of TRACS prepared the recommendation to the Accreditation Commission. The opportunity to appear applies to all meetings where the Accreditation Commission is scheduled to consider taking action against the institution. During the institution's appearance, the Accreditation Commission will allow the institution an appropriate amount of time for the presentation of relevant information and to answer questions posed by the Commissioners. The Accreditation Commission will determine whether Sanction or Adverse Action is warranted after the institutional representatives have been excused from the meeting.

If no institutional representative is present to provide information or answer questions from the Accreditation Commission and hear the Commission's final decision regarding the action taken by the Accreditation Commission, the President of TRACS will communicate the decision of the Accreditation Commission to the institution following the conclusion of the meeting. In all cases, the President of TRACS will send written notice of the decision of the Accreditation Commission to the institution within 30 days of the decision. This notification will specify the Accreditation Standard(s), TRACS policies and procedures or any applicable Federal Regulations with which the institution is not in compliance.

The various actions which may be taken by the Accreditation Commission are not necessarily sequential. Where circumstances warrant, the President of TRACS may recommend that the Accreditation Commission consider any appropriate action as the first action taken against an institution.

The Accreditation Commission can only impose a Sanction or Adverse Action against a member institution when a quorum of Commissioners is present and when at least fifty-one percent of the members present at the meeting affirmatively vote to take the action. The Accreditation Commission or the President of TRACS may require staff, Focus Team, or Evaluation Team visits to any institution against which the Accreditation Commission has imposed either a Sanction or Adverse Action.

At each regular meeting of the Accreditation Commission, the President of TRACS will report on each institution against which the Accreditation Commission has previously taken action in cases where that action has not been removed. The report will include a summary of any actions the institution has taken to correct its deficiencies and come into compliance with the Accreditation Standards, TRACS policies and procedures or any applicable Federal Regulations. The President of TRACS may include any other relevant information, including a recommendation that the Accreditation Commission remove the previously imposed action against the institution. If the Accreditation Commission determines, at any time, that an

institution is in compliance with the Accreditation Standards, TRACS policies and procedures or any applicable Federal Regulations the Accreditation Commission, on its own initiative and without a recommendation from the President of TRACS, may remove the institution from previously imposed action.

#### **F. Institutions Seeking Accreditation or Reaffirmation of Accreditation**

Candidate institutions seeking Accreditation or Accredited institutions seeking Reaffirmation of Accreditation that are determined by the Accreditation Commission to be in non-compliance with one or more ~~Institutional Eligibility Requirements, or in significant non-compliance with any other~~ Accreditation Standard(s), TRACS policies and procedures or any applicable Federal Regulations at the time of their appearance before the Commission may be denied Accreditation or Reaffirmation of Accreditation. Such denial of Accreditation or Reaffirmation is, by definition, the imposing of an Adverse Action.

Institutional accreditation may not be granted or reaffirmed while an institution is under Sanction, but the institution's current status of recognition will be maintained. Denial of accreditation or reaffirmation of accreditation is appealable and will not affect the normal accreditation review cycle for that institution. Denial is a public action.

#### **G. Implications of Sanctions and Adverse Action**

Institutions placed on Sanction or Adverse Action will be so identified on the TRACS website. In addition, any person inquiring about the accreditation status of an institution on Sanction or Adverse Action will be informed of the status. Further, the institution must disclose the fact that it was placed on Sanction or Adverse Action to current and prospective students within seven days of receiving notification of the action and must accurately present this status in all publications and communications including the institution's website no more than 30 days after the action becomes final.

##### **1. Warning**

- a. In addition to its Annual Operational Report, an institution under Warning must submit regular reports to TRACS specifically detailing its progress toward demonstrating compliance with the specified Accreditation Standard(s), TRACS policies and procedures or any applicable Federal Regulations including the anticipated time frame for bringing deficient areas into compliance.
- b. If the institution demonstrates compliance with the Accreditation Standard(s), TRACS policies and procedures or any applicable Federal Regulations within the timeframe allowed, the Accreditation Commission will remove the institution from Warning.
- c. If the institution has not corrected its deficiencies and demonstrated compliance with the issues in question within the timeframe allowed, the Accreditation Commission will either:
  - i. **Grant an extension of Warning for no more than one year, six months.** An extension may only be granted one time and is not granted as a matter of right and with the total time allowed for demonstrating compliance not to exceed the maximum timeframe allowed;
  - ii. Place the institution under a more severe Sanction (Probation or Show Cause) as deemed appropriate, with the total time allowed for demonstrating compliance not to exceed the maximum timeframe allowed; or
  - iii. Take Adverse Action against the institution.

## 2. Probation

- a. In addition to its Annual Operational Report, an institution on Probation must submit regular reports to TRACS specifically detailing its progress toward demonstrating compliance with the specified Accreditation Standard(s), TRACS policies and procedures or any applicable Federal Regulations including the anticipated timeframe for bringing deficient areas into compliance.
- b. If the institution demonstrates compliance with the Accreditation Standards, TRACS policies and procedures or any applicable Federal Regulations within the timeframe allowed, the Accreditation Commission will remove the institution from Probation.
- c. If the institution has not corrected its deficiencies and demonstrated compliance with the issues in question within the timeframe allowed, the Accreditation Commission will either:
  - i. Grant an extension of Probation for no more than one year, ~~six months~~. An extension may only be granted one time and is not granted as a matter of right and with the total time allowed for demonstrating compliance not to exceed the maximum timeframe allowed; or
  - ii. Place the institution under a more severe Sanction (Show Cause) or under a less severe Sanction (Warning) as deemed appropriate, with the total time for demonstrating compliance not to exceed the maximum timeframe allowed; or
  - iii. Take Adverse Action against the institution.

## 3. Show Cause

- a. Institutions required to Show Cause must submit a written report to the TRACS office which provides all of the institution's reasons that the Accreditation Commission should not take Adverse Action resulting in the termination of its accreditation. This report is required in addition to any other report(s) specifically required by the Accreditation Commission. The Accreditation Commission may interpret a failure to submit this report on time as an indication that the institution acknowledges its non-compliance with the issues in question. The report must:
  - i. Address all of the actions it has taken to remedy its deficiencies and demonstrate compliance with the Accreditation Standards, TRACS policies and procedures or any applicable Federal Regulations;
  - ii. Include a Teach-Out Plan which meets the requirements of TRACS Policies BP222 and BP224; and
  - iii. Be received within 60 days of the day the official notice of the Show Cause action is received by the institution.
- b. If, after staff review of the report and supporting documentation, it is determined that the institution has demonstrated compliance with the Accreditation Standards, TRACS policies and procedures or any applicable Federal Regulations before the first regular meeting of the Accreditation Commission following the meeting where the Accreditation Commission voted to place the institution under Show Cause, the Accreditation Commission shall remove all action against the institution.
- c. If, after staff review of the report and supporting documentation, it is determined that the institution has not demonstrated compliance with the Accreditation Standards, TRACS policies and procedures or any applicable Federal Regulations before the first regular meeting of the Accreditation Commission following the

meeting where the Accreditation Commission voted to require the institution to Show Cause, the Accreditation Commission will either:

- i. Take Adverse Action against the institution; or
- ii. Place the institution under the appropriate level of Sanction in extenuating cases where significant progress has been made toward correcting the identified deficiencies.
  - 1) This can only be granted one time.
  - 2) The total amount of time granted to the institution for demonstrating compliance may not exceed the maximum timeframe allowed.

#### **4. Adverse Action**

In the event that an institution's Candidacy or Accreditation is terminated, through Adverse Action, by the Accreditation Commission, the status held by the institution before the Adverse Action was taken will remain intact through the period allowable for the institution to file an appeal of the Adverse Action. If the institution does not appeal the Adverse Action within the allowable timeframe, the termination action will be effective as of the first business day after the appeal period has expired.

Institutions whose membership with TRACS is ultimately terminated, either by an unappealed Adverse Action of the Accreditation Commission or by a final decision of an Appeal Committee to uphold the Adverse Action imposed by the Accreditation Commission, shall ensure that the TRACS office receives the following documents / information within 60 days of the date of a finalized termination action:

- A Teach-Out Plan which meets the requirements of TRACS Policies BP222 and BP224.
- Copies of any approved and signed Teach-Out Agreements with other institutions that meet the requirements of TRACS Policy BP225
- A narrative which details the following: (1) the number of students enrolled in all programs at the institution at the time its membership with TRACS was terminated, (2) the number of students who completed their course of study at the institution, and (3) the number of students who either transferred to other institutions or choose not to continue their study.
- Information regarding the name and contact information of the State agency, institution, or other entity which has agreed to act as the custodian of the institution's academic records in accordance with TRACS Policy BP222.

If it is deemed in the best interest of the students involved, the Accreditation Commission may, at its discretion, extend the effective date for a termination action beyond the allowable appeal period. If granted, such an extension may not exceed the end of the academic term in which the termination action is imposed.

#### **H. Notification of Commission Action**

No more than 30 days after a decision of the Accreditation Commission to impose either a Sanction or Adverse Action occurs, the President of TRACS shall notify the institution of that decision. Simultaneously to notifying the institution of the decision, TRACS will also notify the U.S. Secretary of Education, appropriate state agencies, the appropriate accrediting agencies, and the public, all within the 30-day notification period. In the case of Adverse Actions, the public notice will be accompanied by a statement that the action will not take

effect until the time period for filing an appeal of the action has expired or, if an appeal is filed, until the final decision of an Appeal Committee has been made concerning the appeal. In all notifications, TRACS will specify the basis for the decision to impose the action.

If the Accreditation Commission takes an Adverse Action (denial, withdrawal, suspension, revocation, or termination of Accreditation or Candidacy) against an institution, the institution is required to disclose the decision to current and prospective students within seven business days of receipt of the Commission's decision

Within 60 days of the decision TRACS will provide a brief statement summarizing the reasons for the Commission's decision and any official comments provided by the institution with regard to the decision or evidence that the institution was provided with the opportunity to provide official comment.

### **I. Appeals**

Adverse Actions (as defined in Section A of this policy) are appealable. Institutional appeals must follow the guidelines specified in TRACS policy BP219.

### **J. Final Disposition**

If an institution does not appeal a decision of the Accreditation Commission to impose an Adverse Action, the decision of the Accreditation Commission becomes final one day after the last day allowed for filing an appeal. If an institution files a timely appeal, the disposition of the institution relative to the Adverse Action will be determined by the processes outlined in BP219.

### **K. Final Notification of Disposition**

If no appeal to an Adverse Action is filed by the institution, the original notification of Adverse Action shall serve as the final notification.

If a decision of the Accreditation Commission is appealed by the institution and after the appeal process has been completed, the President of TRACS shall notify the institution, the U.S. Secretary of Education, appropriate state agencies, the appropriate accrediting agencies, and the public of the final decision of the Appeal Committee.

In all notifications, TRACS will specify the basis for the final disposition.

### **L. Institutional Comments Regarding an Adverse Action**

An institution which has been the subject of an Adverse Action may provide the President of TRACS with any official written comments it wishes to make with regard to the action. The President of TRACS must receive these comments no later than 30 days after the Adverse Action has become final. TRACS will provide these comments to the U.S. Secretary of Education, the appropriate state agencies, the appropriate accrediting agencies, and the public no later than 30 days after receipt of the comments.

### **M. Time Allowed for Notifications and / or Responses**

If the last day allowed for a notification by TRACS and / or responses or comments by the institution is a Saturday, Sunday, or legal holiday, the next business day will be deemed the last day.

#### **N. Means of Notification, Responses, and Comments**

The President of TRACS may notify an institution on any matter noted in this policy by either electronic or hard copy means. Any hard copy notice that the President of TRACS sends to an institution shall be sent by any service which requires a signature at the time of delivery. The earlier of the dates of the electronic notification or when any representative of the institution signs accepting delivery of the written notice is deemed to be the date of notification.

The institution may submit responses and / or comments by either electronic or hard copy means. Any hard copy notice that the institution sends to TRACS shall be sent by any service which requires a signature at the time of delivery. The earlier of the dates of the electronic notification or when any representative of TRACS signs accepting delivery of the written notice is deemed to be the date of submission.

# BP224 – Teach Out Plans

Reference: §487(c)(1)(F), §602.23(f)(1)ii, §668.162(c), §668.162(d)(2)

Adoption Date: June 2000

Last Revision Date: December 2025

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## A Teach-Out Plan is Required When:

1. The U.S. Secretary of Education notifies TRACS that the U.S. Secretary of Education 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, and that a teach-out plan is required.
2. The US Secretary of Education notifies TRACS 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.
3. The US Secretary of Education notifies TRACS 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.
4. The US Secretary of Education notifies TRACS that it has placed the institution on the reimbursement payment method under 34 CFR 668.162(c) or the heightened cash monitoring (HCM2) payment method requiring the Secretary's review of the institution's supporting documentation under 34 CFR 668.162(d)(2).
5. TRACS places the institution on Probation or requires an institution to Show Cause why its accreditation or pre-accreditation should not be terminated.
6. TRACS takes any action against the institution which has the effect of suspending its accreditation or pre-accreditation.
7. The institution notifies TRACS that it intends to cease operations entirely or close a remote instructional site (Teaching Site or Branch Campus) that provides one hundred percent of at least one program, including if the location is being moved and is considered by the U.S. Secretary of Education to be a closed school.
8. The institution notifies TRACS that it intends to close a program.
9. A State licensing or authorizing agency notifies TRACS that an institution's license or legal authorization to provide an educational program has been or will be terminated.
10. An institution is granted initial Candidate (preaccredited) status. ~~In such cases, the plan must be submitted and approved within six months of the initial granting of Candidate (preaccredited) status.~~

## Guidelines for the Teach-Out Plan

1. The plan must be approved by the institution's governing board as demonstrated by Board meeting minutes or an official, signed attestation statement from the Board Chair.
2. The plan must be detailed and consistent with applicable federal regulations. It must include how the institution will provide for all its instructional, student, financial, faculty, and operational obligations.
3. The plan must provide for the equitable treatment of all students.

- a. Students are provided, without an increase in tuition or fees, all instruction promised by the institution, prior to its closing or the closure of a remote instructional site, but not delivered to the students because of the closing.
  - b. The proposed teach-out institution is geographically proximate to the closed institution or remote instructional site, is accredited by an accrediting body recognized by the U.S. Secretary of Education, and can demonstrate compatibility of its program structure and scheduling to that of the closed institution.
  - c. Should the plan require students to pay additional charges, those charges must be identified and the institution must provide notice of those charges to the students.
4. The plan must be backed by demonstrated adequate financing by the closing institution.
  5. The plan must include a listing of academic programs offered by the institution.
  6. The plan must include a list of currently enrolled students and academic programs offered by the institution.
  7. The plan must ensure students completing the teach-out would meet curricular requirements for professional licensure or certification, if any.
  8. Although the institution may not have to submit a Teach-Out Agreement, the Teach-Out Plan must identify other appropriately accredited institutions that offer similar programs and that could potentially enter into a Teach-Out agreement with the institution.
  9. ~~The Teach-Out Plan must be submitted to TRACS for approval.~~ Unless otherwise specified, the Teach-Out Plan must be submitted to TRACS within 30 days of receiving notification of the requirement from TRACS and must be approved by the Accreditation Commission within 6 months of the notification.
  10. Teach-Out Plans that do not provide all required elements will not be approved by TRACS.

If TRACS approves a Teach-Out Plan that includes a program that is accredited by another recognized accrediting agency, TRACS will notify that accrediting agency of its approval. TRACS may require an institution to enter into a Teach-Out Agreement before approving the Teach-Out Plan.

### **Additional Restrictions**

Irrespective of any Teach-Out plan or signed Teach-Out Agreement, the Accreditation Commission will not permit an institution to serve as a teach-out institution under the following conditions:

1. The institution is subject to any of the conditions under (A.) above;
2. 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.
3. The institution is not accredited by an accrediting agency recognized by the U.S. Department of Education or other appropriate governmental bodies (for non-US based institutions.)

## BP229 - Distance Education

Reference: 34 CFR §600.9, §602.3, §602.17 and §602.22 (b)(1)  
Adoption Date: April 2011  
Last Revision Date: April 2022 (edited October 2025)

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TRACS defines Distance Education as education that uses one or more of the technologies listed to deliver instruction to students who are separated from the instructor and to support regular and substantive interaction between the students and the instructor, either synchronously or asynchronously. The technologies may include the internet; one-way and two-way transmissions through open broadcast, closed circuit, cable, microwave, broadband lines, fiber optics, satellite, or wireless communications devices; audio conferencing; or other media, if used in a course in conjunction with any of the technologies listed above.

Coursework must evidence regular and substantive interaction (see TRACS Policy BP102 - Definitions) between the instructor and student. For interactions to be considered regular and substantive, they need to meet the following characteristics: 1) mostly instructor-initiated; 2) regular, scheduled, and predictable, and; 3) substantive (i.e. focused on the course subject).

An institution which offers Distance Education (DE) must be able to provide documentation that it has approval to offer its DE programs / courses in each state and/or U.S. location where it has enrolled students. If the institution is determined by a state or locale to be exempt from registration or licensure, it must provide a copy of the written notice from that state or locale. If the institution is prohibited from offering DE courses to students in a state or locale, it must provide a copy of the written notice.

The institution must identify the states and/or U.S. locations where it has been approved to offer DE programs / courses or has been exempted from such approval; where it has not sought to be approved; and where it has not been approved. This information must be on a single webpage which is accessed by a link from the primary webpage describing the institution's DE offerings.

This requirement is based on 34 CFR §600.9. The U.S. Department of Education has provided guidance to institutions regarding compliance with the regulation. In particular, the guidance indicates that "the Department will not initiate any action to establish repayment liabilities or limit student eligibility for distance education activities undertaken before July 1, 2014, so long as the institution is making good faith efforts to identify and obtain necessary State authorizations before that date." TRACS will apply this policy in accord with the Department's guidance to institutions, including any modifications which the Department issues.

Additionally, institutions approved to offer DE must verify and protect the identity of students enrolled in any courses offered through DE.

1. The institution uses a method of verifying the identity of students which reasonably assures that the student is the same person who registered for the course. (Among the most common methods are a secure login and password for electronic access and proctored examinations.),

2. The institution provides students with a written rationale for the method or methods it employs,
3. Students are notified of any charge related to the method of verification, at the time of registration or enrollment, and
4. The institution provides a written statement of how it will protect the privacy of students enrolled in alternative delivery method programs / courses.
5. Institutions are required to demonstrate compliance with all TRACS Standards and Federal regulations related to Distance Education.

Additionally, courses and / or programs offered via Distance Education must meet all applicable Federal Requirements and all applicable TRACS Accreditation Requirements including:

- Operational Authority
- Organizational Structure
- Publications and Policies
- Educational Programs
- Faculty
- Student Services
- Financial Operations
- Institutional Assessment
- Strategic Planning
- Library and Learning Resources
- I Facilities and Equipment
- Federal Requirements (as applicable)

Before an institution offers any Distance Education courses / programs that can be eligible for Title IV, the institution must be evaluated and approved for its effective delivery of Distance Education courses / programs. Such evaluations may take place as part of the accreditation / reaffirmation process or via the Institutional Change process prescribed by TRACS for already accredited institutions.

A program is not Title IV-eligible if it is offered through Distance Education by an institution that is required to be evaluated and approved by TRACS but has yet to complete that approval process. The institution will be responsible for any liabilities established by the US Department of Education as a result of Title IV aid disbursed to students in an ineligible program.

Distance Education may be approved and offered at one of two levels:

- **Level 1:** Course or program delivery where less than 50 percent of a program is offered via Distance Education, less than 50 percent of total students enrolled at the institution are enrolled in at least one Distance Education course, **and less than 50 percent** of all courses offered by the institution are offered via Distance Education.
- **Level 2:** Course or program delivery where at least 50 percent of a program is offered via Distance Education, at least 50 percent of total students enrolled at the institution are enrolled in at least one Distance Education course, **or at least 50 percent** of all courses offered by the institution are offered via Distance Education.

Once an institution has been approved to offer **Level 1** Distance Education by TRACS, the institution may offer Distance Education courses / programs below the 50 percent threshold without further TRACS approval – unless and until the institution, during an award year, meets or exceeds the 50 percent threshold. For purposes of these calculations, a student is “enrolled in Distance Education” if the student enrolls in at least one course offered through Distance Education.

Meeting or exceeding the 50 percent threshold for Distance Education is considered a significant departure from the existing offerings or educational programs, or method of delivery for **Level 1** approval, and therefore requires the institution to obtain **Level 2** approval. Institutions may be granted **Level 2** approval as an initial action if the institution’s Distance Education offerings meet or exceed the 50 percent threshold upon initial consideration and is not required to obtain **Level 1** approval first.

Per §602.22 (b)(1), the Distance Education evaluation and approval processes apply equally to institutions that have been placed on any Sanction by TRACS over the prior three academic years or are under a provisional certification with the US Department of Education.

Institutions that make changes to an existing program’s method of delivery (i.e., the offering of courses / programs via Distance Education or ceasing to offer courses / programs via Distance Education for already approved programs) must be reported to TRACS within 30 days of implementation, via the Institutional Change process on the TRACS portal. In such cases, Distance Education must already be included in the institution’s scope of recognition.

As a part of the Annual Operational Report process, TRACS will monitor the level of Distance Education offered at an institution to determine when an institution meets or exceeds the 50 percent threshold.

**NOTE:** Distance Education only institutions must maintain a permanent physical facility that supports its educational offerings and business operations in a professional setting. The facility is maintained at a fixed geographic location that is appropriately licensed or authorized, as required by local and state regulatory authorities. A Post Office box is not a physical facility address.