

TO: ACICS-Accredited Institutions and Other Interested Parties

FROM: Accrediting Council for Independent Colleges and Schools

DATE: May 7, 2008

SUBJECT: Final Criteria, Proposed Criteria, and Other Information

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I. FINAL CRITERIA REVISIONS

At its April 2008 meeting, the Council reviewed specific areas of the ACICS *Accreditation Criteria* outlined in Sections I and II. The language contained in Section I represents language that was previously reviewed by ACICS constituents or that represents a clarification of previously approved criteria. Section II represents proposed criteria changes as a result of the April 2008 meeting.

The Council updated the respective sections of the *Accreditation Criteria* to reflect all final criteria revisions. To obtain a current copy of the *Accreditation Criteria*, please visit our Web site at www.acics.org. The *Accreditation Criteria* can be found in the publications section of the Web site.

The following criteria were previously reviewed by the field and the Council and have been accepted as **final, effective January 1, 2009**:

A. Faculty Preparation

3-1-541. *Faculty Preparation.*

Preparation of faculty members shall be academically and experientially appropriate to the subject matter they teach. Faculty members shall be competent to teach the subject matter offered and shall have reasonable latitude in their choice of teaching methods. The institution must provide evidence that all faculty members are graduates of institutions accredited by agencies recognized by the United States Department of Education. Faculty who are graduates from institutions outside the United States must be graduates of institutions recognized by their governments and their transcripts must be translated into English and be evaluated by a member of the National Association of Credential Evaluation Services (NACES) to determine the equivalency of the ~~degree~~ credentials to ~~degrees~~ credentials awarded by institutions in the United States.

II. PROPOSED CRITERIA REVISIONS – COMMENT REQUESTED

A. Financial Relations

3-1-430 – ~~FINANCIAL RELATIONS~~ TUITION AND FEES

3-1-431. Scholarships, Institutional Grants, Institutional Loans, and Financial Aid Institutionally Financed Grants, Scholarships and Loans. The Council recognizes that most accredited institutions offer or administer ~~programs of financial assistance to~~ grants, scholarships and loans for students. Institutions must meet appropriate guidelines for such programs in order to ensure their legitimacy. Participation in ethical institutional grant (See Appendix E, “Guidelines for Institutionally Funded Student Aid Programs”), institutional loan, and scholarship programs requires adherence to the following:

(a) ~~The application of these programs must fall within the publically accepted meaning of the terms “scholarship,” “grant,” and “loan.”~~ In addition to administering federal or state student aid programs, institutions may offer the following types of student financial aid:

(i) grants funded by the institution and awarded to all students within a qualifying category or to all students who demonstrate a need in accordance with published standards;

(ii) scholarships funded by the institution or a third-party and administered by the institution to provide aid to students who demonstrate academic achievement in accordance with published standards;

(iii) loans funded by the institution and available equally to all students.

(b) Institutionally financed or administered grants, scholarships and loans must be described in the current catalog with a description of the criteria for the award, the application procedures and deadlines, and amounts that may be awarded. All information must avoid false, misleading or exaggerated statements. Scholarship and grant program information must be printed in the current catalog of the institution with full disclosure of the terms, conditions, application procedures, deadline dates, basis for selection, and range of award amounts. This information must be presented in such a manner that avoids leaving any false, misleading, or exaggerated impressions of the scholarship(s) or grants(s) offered. Institutions are reminded that the primary basis for awarding a scholarship is the student’s performance (or potential performance) in an educational program. Institutional grants are awarded

~~primarily on financial need (see Glossary definitions for additional information).~~

~~(c) The availability of institutional loans, terms, and conditions must be disclosed in the current catalog. The amount of the loan will vary according to the individual financial need of each student receiving the assistance. The collection of institutional loans must be pursued in an aggressive and systematic manner, based on sound business practices, for all student borrowers. Institutionally financed loans may vary in amount depending on the student's need. The terms and conditions for loans, including forbearance and repayment, must be described in the current catalog. All institutionally financed loans must be collected in accordance with sound and aggressive business practices for the collection of student loans. Institutions must counsel students concerning their loan repayment obligations.~~

~~(d) Financial aid (grants, loans, and work study programs supported by outside sources such as private organizations or state and federal governments and supervised by an institution) may be offered so long as the aid is administered within the guidelines established by the funding source. It is the responsibility of the institution to make clear in all of its publications and by all of its actions the meanings of the terms scholarship, grant, loan, and financial aid.~~

3-1-432. Tuition and Charges. Institutions may charge varying amounts of tuition and fees for different programs. All charges should be consistent for similarly circumstanced students enrolling at the same time and in the same programs, however, and detailed financial records should indicate at all times the financial obligation of the student to the institution. The following are minimum expectations:

(a) The tuition and other charges, including the period for which the student is financially obligated, shall be clearly stated in the catalog of the institution. The existence of any separate or comparable publication containing tuition rates must be referenced specifically in the catalog. The schedule of charges must be uniformly administered to similarly circumstanced students.

(b) The financial records of the students shall clearly show the charges and dates for the posting of tuition, fees, and other charges; the payments and dates of payment; and the balance after each transaction.

(c) The enrollment agreement or catalog used by an institution must clearly outline the financial obligations of both the institution and the student. When an enrollment agreement is used, the student must receive a copy.

(d) Announcements of changes in tuition or fees must state the effective date of the change and be uniformly administered.

(e) Terms of payment may be varied by the institution so long as the tuition charges are uniformly administered.

GLOSSARY

Financial Aid. Student financial assistance funded by state or federal programs and administered by the institution made available to a student who has financial need. The term covers grants in aid, scholarship, loans, and work study compensation. The term “student aid” is also used.

Grant-In-Aid. (1) ~~A gift of money made to a student in need of financial aid and believed capable of meeting academic requirements. It does not imply academic distinction. (2) A gift of money made without regard to academic excellence to a student who possesses certain talents sought or valued by an institution, as “athletic grant in aid,” “music grant in aid,” etc. the award for special talent usually, although not always, is made without regard to financial need.~~

Category Grant. An institutionally financed award to all students who qualify by meeting the published standards for a grant to similarly circumstanced students, such as a grant to active members of the military.

Need-based Grant. An institutionally financed award to a student who demonstrates a need for financial assistance in order to participate in the educational program. Need-based grants must be made available to all students on the same terms.

Loan. An advance of money, generally evidenced by a promissory note, on the agreement to repay absolutely such advance, with or without interest.

Scholarship. (1) The quality of a student's achievement in the student's studies. (2) A financial ~~grant~~ award which does not involve repayment. A scholarship may be institutionally financed or funded by a third party. It is awarded by the institution in accordance with published standards which describe student qualifications and the source of funding. The primary reason for the award isReasons for the award may include one or more qualifications such as the student's performance (or potential for performance) in the educational program of the institution, financial need, talents sought or service valued by the institution or the third party. Financial need may or may not be a consideration in establishing the amount of the award.

APPENDIX E Guidelines for Institutionally Funded Student Aid ~~Grant~~ Programs

In evaluating ~~programs of this type~~ institutionally funded student aid, ACICS will consider the characteristics listed below. These characteristics are not listed in any priority order. Any institution whose ~~grant~~ aid program is not in accordance with any or all of these characteristics may be subject to a directive by ACICS to show cause ~~why its program is acceptable and~~ why its grant of accreditation should not be suspended, revoked, or otherwise conditioned. The greater the number of these characteristics evident in an institution's grant program, the greater the presumption of acceptability. ~~However,~~ ACICS will, however, review each institutional grant program in its entirety.

1. ~~The g~~Grants are made from segregated funds or from identifiable funds which have been provided for in the institution's operating budget.
2. The percentage of students receiving institutionally funded grants, as compared to the overall student population of the institution, is not inordinately high.
3. The total amount for institutionally funded grants is publicly and clearly identified prior to the beginning of the academic year or term.
4. ~~The amount of the grant varies according to the individual financial need of each student receiving the~~

~~assistance.~~ Institutionally funded grants may be awarded on the basis of student need or standards describing similarly circumstanced students.

5. The amount of ~~the~~ institutionally funded grants is not based solely on the difference between the tuition charged and the amount of federal or state financial aid received.

6. The tuition charged reasonably and closely represents the cost to the institution of the instruction provided and does not significantly vary in amount from similar or same instruction in another certificate or degree program.

7. The amount of tuition retained as nonrefundable by the institution from those students who drop out prior to the end of the academic term or period is ~~predominately~~ proportionally allocated between the institutionally funded grants and the federal and state financial aid received by the student.

8. The type and amount of institutionally funded needs-based grants ~~aid provided~~ is determined by an independent selection or review panel.

B. Initial Accreditation

Section 2-1-200. Initial Accreditation. All communications concerning initiation of the accrediting process should be sent to the ACICS office. The accrediting process proceeds in distinct phases, each of which must be satisfactorily completed by the institution before the next can occur. Each phase must be authorized by the chief executive officer of the institution, who also can authorize voluntary withdrawal from the process at any time prior to final action by ACICS.

When considering whether to award an initial grant of accreditation to an institution, ACICS will take into consideration the actions of other recognized accrediting agencies that have denied accreditation to the institution, placed the institution on probationary status, or revoked the accreditation of the institution. If an institution's accreditation was revoked or denied previously by ACICS, its initial application will be considered only after at least two years have elapsed.

C. Distance Education

GLOSSARY

Asynchronous Interactions. Teaching/learning interactions between students and instructors which take place intermittently or non-simultaneously with a time delay.

Audioconferencing. Structured voice-only teaching/learning interaction among individuals or groups in two or more sites.

Bulletin Board System (BBS). A computer-based online community which allows participants to interact with each other through text messages.

Blended Course or Blended Learning. A course or learning activity that combines online and face-to-face, in-class sessions. Also called “hybrid” course or learning.

Computer-Assisted Instruction (CAI). A type of self-paced instruction that uses the computer as the primary medium for tutorials, drills, repetitive practice, simulation, or games.

Chat Room. An online or virtual meeting space for multiple learners to engage in real-time text-based discussions.

Connect Time. The amount of time that an online student has been logged on to the education provider’s computer or server for a particular session. The connect time may be used by a school to monitor an online student’s “attendance” and participation in a class session.

Distance Education or Distance Learning. A system and a process that connects learners with distributed learning resources. While distance learning takes a wide variety of forms, structured educational situation in which the instructors and learners are separated by time and location. Distance learning is characterized by (1) separation of place and/or time between instructor and learner, among learners, and/or between learners and learning resources; and (2) connectivity, interaction, and engagement between the learner and instructor, among learners, and between learners and learning resources conducted through one or more media.

Electronic Learning or E-learning. Refers to a wide range of methodologies used in the delivery of instructional content via Internet, satellite broadcast, interactive TV, CD-Rom, etc.

Face-to-Face or F2F. Refers to the traditional classroom teaching/learning environment. Also known as Instructor-led Training or ILT, on-ground training, or on-site training.

Full-motion Video. Transmission of the complete action taking place at the originating site.

Home Institution. In a case where an institution collaborates with another entity for the delivery of distance education courses, “home institution” is the campus through which the student enrolls for the course. The Home Institution is responsible for assuring that all accrediting standards are met, for providing on-campus services, and for clearly demonstrating through a formal Consortium Agreement the roles and responsibilities of the Home Institution and the Host Institution, which may deliver the distance education courses and specified online services. The Consortium Agreement must be approved by ACICS and must provide for evaluation visits to the Host Institution as required by ACICS.

ACICS expects the Home Institution to offer a minimum of 25% of the online courses if it offers distance education through a Consortium Agreement with an **approved accredited institution**, and to offer a minimum of 75% of the online courses if it offers distance education through a Consortium Agreement with an approved **unaccredited entity**.

Host Institution. The institution which collaborates with an ACICS-accredited institution in delivering online courses and specific online services as described in a formal Consortium Agreement approved by ACICS. The Consortium Agreement must provide for evaluation visits to the Host Institution as required by ACICS.

Hybrid Course or Hybrid Program. A hybrid course is one which mixes face-to-face, traditional classroom instruction with online instruction. A hybrid program is one which offers or requires a percentage of the required courses in a program online. ACICS requires the school to clearly outline the percentage of online activity included in a course or a program. Institutions are required to apply for and secure approval prior to initiating

any distance education activity and also when it increases its distance education activity to the extent that it constitutes 50% or more of a program.

Integrated Learning System or ILS. A network system that provides a complete package of curriculum, assessment capabilities, record keeping, and other aids to monitor and manage student learning activity.

Learning Management System or LMS. A system to manage courses created by a variety of publishers and providers. The LMS also helps the school manage online or distance education activity by providing critical reporting mechanisms.

Learning Object. An e-learning content module which is reusable, easily classified and stored in a data repository.

Online Learning. A term used interchangeably with Internet-based Learning, Web-based Learning, or Distance Learning.

Scalability. Provisions available for a computer application to handle expansions in size, volume, or number of users without undue disruption.

Self-paced Instruction. An educational delivery method by which a student progresses through a course or program of study in residence utilizing either computer software or instructional materials and resources. Students progress through the course or program at their own pace with limited interaction with the instructor. The instructor, however, is responsible for overseeing the progress of the student and for evaluating and grading the student.

Simulations. Computer applications that offer highly interactive options for the learner to practice skills, model or role-play in realistic scenarios.

Synchronous Interactions. Teaching/learning interactions between instructors and students which take place in real time or simultaneously through the use of various online technologies. These may include: virtual classrooms, audio- or videoconferencing, Internet teleconferences, etc.

Threaded Discussions. Online classroom activity in which the instructor may post a series of messages on a particular topic and invite the students to participate in the discussion forum.

Videoconferencing. A teaching/learning activity which uses video and audio signals to communicate with student groups at diverse locations.

Webinar. A synchronous online conference in which the teacher or presenter may communicate with students via text, audio, video, electronic whiteboard and other devices. The event may include listener participation and archived for asynchronous delivery.

III. FOR INFORMATION ONLY

A. Bylaw Changes

The Board of Directors has approved amendments to the ACICS Bylaws that change the composition of the governing board. The Council consists of 15 commissioners, three of whom must be representatives of the public. It is the Council that makes accreditation decisions and is recognized for that purpose by the U.S. Department of Education.

Each year, the Council elected five of the commissioners to serve as the Board of Directors with the Executive Director. This year, the Board of Directors acted to change that provision so that all 15 commissioners now serve on the Board of Directors in addition to serving on the Council. The purpose of the change is to expand representation of varying viewpoints and to provide a broader array of skills among the directors. The Board of Directors has also established an Executive Committee, an Investment Committee and an Audit Committee of the Board.

The following section contains the amended bylaws. The Board of Directors will give consideration to any comments submitted on the revised Bylaws.

BYLAWS

Accrediting Council for Independent Colleges and Schools (ACICS)

ARTICLE I

General Provisions and Definitions

Section 1–Name. The name of the corporation shall be the Accrediting Council for Independent Colleges and Schools, which corporation also is referred to herein as “ACICS” or “the Corporation”.

Section 2–Board of Directors. The governance and administration of the affairs of the Corporation shall be vested in a Board of Directors (sometimes referred to herein as the “Board”). The Board shall be constituted as provided in Article II.

Section 3–Council. The Council shall consist of elected and appointed commissioners.

Section 4–Recognition. ACICS shall be the body holding recognition from the U.S. Secretary of Education and any other appropriate recognition bodies.

Section 5–Directors. Directors are those persons serving on the Board of Directors.

Section 6–Commissioners. Commissioners are those persons elected by their peers or appointed by the Council to serve designated terms on the Council.

Section 7–Public Representatives. Representatives of the public are persons who are interested in career education; have knowledge or experience useful to the accreditation process; are willing to contribute opinion, advice, and expertise to the endeavors of ACICS and the Council; and are not (1) employed by an institution or program that either is accredited by the agency or has applied for accreditation or (2) associated as members of the governing board, owners, shareholders, consultants or in some other similar capacity with an institution or program that either is accredited by the agency or has applied for accreditation; or (3) a member of any related, associated, or affiliated trade association or membership organization; or (4) a spouse, parent, child or sibling of an individual identified in paragraph (1), (2) or (3) of this definition.

Section 8–Membership. Membership shall be institutional or organizational in nature and shall consist of accredited colleges, postsecondary schools, branches, and other entities, all as defined in the *Accreditation Criteria* of ACICS.

Section 9–Offices. The main offices of ACICS shall be in the Washington, D.C., metropolitan area. ACICS may have other temporary or permanent offices to facilitate its work. The office of the Corporation’s registered agent shall be an office of ACICS.

Section 10–Executive Director. The Executive Director of the Accrediting Council for Independent Colleges and Schools shall be designated by the Board of Directors and shall be ACICS’s chief administrative officer.

ARTICLE II

Board of Directors

Section 1–Composition. The Board of Directors shall be composed of the commissioners and the Executive Director. The Executive Director shall serve ex officio as a member of the Board and shall have no vote.

Section 2—Powers and Duties. Except as otherwise provided by law or in these Bylaws, the Board of Directors shall have the right and responsibility to manage and direct the affairs and exercise the powers of the Corporation. Responsibilities of the Board shall be to:

- (a) provide for an annual certified audit and management letter regarding all financial affairs of ACICS;
- (b) oversee revenues, expenditures, investments, budget development, and internal financial controls;
- (c) monitor and coordinate external affairs, including government and consumer concerns;
- (d) assure canons of ethical business operations and personal conduct;
- (e) employ a chief administrative officer whose title shall be Executive Director;
- (f) conduct an annual meeting of the membership of ACICS;
- (g) facilitate communication and coordination among the commissioners;
- (h) coordinate strategic planning, assess the effectiveness of the strategic plan, and take final action on the strategic plan;
- (i) assess the effectiveness of ACICS in fulfilling its mission and meeting its goals and objectives;
- (j) take all actions necessary to perform required functions of the Corporation; and
- (k) amend the Bylaws as provided for herein.

Section 3—Officers of the Board and officers of the Council. The officers of the Board of Directors shall be: Chair; Chair-elect; Secretary, by virtue of service as Executive Director; and Treasurer. The officers of the Council shall be: Chair and Chair-elect.

- (a) *Chair.* The Chair of the Council shall serve also as the Chair of the Board of Directors and as President and chief executive officer of the Corporation. The Chair shall preside over all meetings of the Board and of the Council and is responsible for seeing that policies established and actions taken by those bodies are carried out. The Chair will represent the Board and the Council in their dealings with governmental bodies, the press, and the public, and may sign or approve correspondence and other instruments.
- (b) *Chair-elect.* The Chair-elect of the Council shall serve also as Chair-elect of the Board. The Chair-elect assumes responsibilities as delegated by the Board; in the absence of the Chair, shall serve as Chair of the Board and of the Council; serves as Chair of the Nominating Committee; and shall serve as Chair of the Board and Council in the subsequent year.

- (c) *Secretary.* The Executive Director shall serve as the Secretary of the Board. The Secretary is responsible for preparing and maintaining custody of the minutes of all meetings of members, the Board, and the Council for the purpose of authenticating the records of the Corporation for each, for giving all notices required in accordance with these Bylaws, for receiving service in legal matters, and for performing all duties customary to the office of Secretary. The Secretary shall have custody of the corporate seal and authority to affix the seal to any instrument requiring it.
- (d) *Treasurer.* The Treasurer shall be a Director and shall be elected by majority vote of the Directors present and voting at a duly constituted meeting of the Board. The Treasurer shall have custody of and be responsible for all funds and securities of the Corporation. The Treasurer shall keep or cause to be kept complete and accurate accounts of receipts and disbursements and shall ensure deposit of all moneys and other valuable property of the Corporation in such banks or depositories as the Board may designate. The funds, books, and vouchers under supervision of the Treasurer or other delegated persons, with the exception of confidential reports submitted by the members, shall at all times be subject to verification and inspection by the Board. The Treasurer shall serve on the Audit and Investment Committees of the Board of Directors. The Treasurer shall, at the annual meeting of members or by direct mail, report on the financial condition of the Corporation at least once annually.
- (e) *Additional Officers.* The Board may create positions of Assistant Treasurer and Assistant Secretary as necessary for the orderly conduct of business. When so authorized, the Executive Director shall appoint individuals from the professional staff to fill such offices and may assign appropriate duties to them. The Executive Director shall be responsible for filling all vacancies occurring in these positions.
- (f) *Terms.* Except as otherwise provided in these Bylaws, officers of the Board or the Council shall serve in office for one (1) year or until election of a successor or, if ex officio, as long as they hold the position which entitles them to serve as an officer of the Board or Council.

ARTICLE III

Council

Section 1—Composition. The Council shall consist of the elected and appointed commissioners generally representing both non degree and degree-granting institutions. It shall consist of fifteen (15) commissioners, six (6) of whom shall be elected by the

membership and nine (9) of whom shall be appointed by the Council. Three of the appointed commissioners shall be public members as heretofore defined. Notwithstanding the foregoing, an elected commissioner may be replaced by an appointed commissioner for the remainder of the elected commissioner's term in the event of a vacancy.

Section 2—Powers and Duties. Responsibilities of the Council shall be to:

- (a) promulgate standards of accreditation and establish eligibility conditions, policies, and procedures for accreditation;
- (b) take final action on initial grants of accreditation;
- (c) take final action on denial, suspension, and withdrawal motions;
- (d) provide mechanisms for appeals and dispute resolution to ensure due process in resolution of conflicts between members and the Council;
- (e) provide to members appropriate accreditation-related services such as consultation, accreditation process workshops, and training opportunities for evaluators;
- (f) disseminate information on standards, procedures, and activities;
- (g) monitor compliance with the standards;
- (h) receive and act on other applications;
- (i) issue show-cause directives and place institutions on probation;
- (j) serve as liaison to recognition agencies or bodies;
- (k) issue a list of accredited colleges, schools, and organizations;
- (l) develop and approve an annual budget;
- (m) assess and collect fees from members;
- (n) take final action on the strategic plan; and
- (o) exercise other powers and duties incidental to the foregoing.

Section 3—Chair and Chair-elect. The Chair of the Council shall be the Chair-elect from the previous year. The Council shall elect the Chair-elect of the Council, who will become Chair in the subsequent year, annually by majority vote of the commissioners present and voting at a duly constituted meeting of the Council.

ARTICLE IV

Elections, Terms, Vacancies, Removal, Resignations, and Compensation

Section 1—Elections. Elections shall be held annually, at the time of the annual meeting of members, for the selection of persons each of whom shall serve on the Council and the

Board. No person shall serve as a member of the Council and not of the Board, nor shall any person other than the Executive Director serve as a member of the Board and not of the Council.

Section 2–Eligibility. Any person employed by a member in good standing and meeting other eligibility criteria is eligible to run for Council and Board membership provided that person has been registered pursuant to these Bylaws with the Board of Directors by the ownership of a member institution. That person must be identified as the “Designated Delegate” of that member. Each main and branch campus is entitled to one Designated Delegate. Such designation also authorizes that person to be the voting representative of the member on all ACICS matters requiring a vote of the members. Changes of Designated Delegate shall be made in writing fifteen (15) days prior to the date of any scheduled election which becomes the record date for determining eligibility to vote. A Credentials Committee shall be appointed to verify registration and voting for each election. A separate Ballot-counting Committee shall be appointed to tabulate the votes. Results of elections shall be made known to the members by the Chair of the Nominating Committee.

Section 3–Voting Procedures. Specific election procedures concerning candidate qualifications, deadlines for registration, and absentee balloting shall be developed by the Board and may vary from election to election. The following general procedures shall apply to all voting:

- (a) there shall be at least two candidates nominated for each elective position by the Nominating Committee;
- (b) nominations by petition for each elective position will be permitted if such petition (i) is received at least 45 days prior to the date of the election, (ii) contains the names and signatures of Designated Delegates representing at least ten percent of the institutions that are members of ACICS, (iii) demonstrates that the petitioner satisfies the eligibility requirements contained in Section 2 of this Article, and (iv) meets any other procedural requirements which may be established by the Board;
- (c) nominations for elective office may not be accepted from the floor during the Annual Meeting;
- (d) every member, if properly registered and current with financial obligations, shall have the opportunity to vote;
- (e) proxy voting is not permitted in elections;
- (f) no more than one person from any institution, group of institutions commonly owned, or entity may serve concurrently on the Council;

- (g) voting on behalf of multiple members by one Designated Delegate may be permitted on membership-wide matters; provided that a corporation may authorize a Designated Delegate to cast votes for up to ten (10) members under common ownership and control, the multiple members represented by one Designated Delegate must be recorded with the Secretary prior to the vote, and the multiple members represented by a single Designated Delegate shall count toward a quorum;
- (h) only the Designated Delegate of each member is eligible to vote;
- (i) voting shall be by secret ballot;
- (j) a majority vote, unless otherwise provided by these Bylaws, shall decide all non-candidate matters; and
- (k) a plurality vote shall decide all candidate elections.

Section 4—Assumption of Office. New commissioners shall assume office on January 1 of the calendar year following election or appointment, unless otherwise provided for by the Council. Incumbent commissioners will remain in office until new commissioners are seated.

Section 5—Terms. Term of service as a commissioner shall be five years, except that a person elected or appointed to fill a term of less than two years is entitled to submit for nomination and election or appointment to a full term. Upon completion of a commissioner's term, the commissioner shall not be eligible to serve another term through election or appointment until three (3) years have elapsed.

Section 6—Vacancies. Where a vacancy exists, the Nominating Committee shall review and make recommendations to the Council for its consideration.

Section 7—Resignations. Resignation from service as a commissioner and Director may be voluntarily tendered at any time. The resignation becomes effective upon receipt of written notice by the Chair of the Board and Council or the Executive Director. Automatic tendering of resignation is required under the following circumstances or conditions:

- (a) denial, suspension, or revocation of accreditation at the institution with which affiliated;
- (b) cessation or announced cessation of operations at such institution;
- (c) filing for reorganization or bankruptcy by such institution or its parent corporation;

- (d) debarment by the U.S. Department of Education from employment at any institution participating in federal student funding programs;
- (e) indictment for a criminal offense;
- (f) change of control or ownership at the institution with which affiliated;
- (g) failure of such institution to meet its financial obligations to ACICS which results in loss of membership;
- (h) change in employment status (other than internal); and
- (i) change in Designated Delegate status.

Not all of the foregoing necessarily will result in acceptance of resignation but must be considered by the Council before service can continue.

Section 8—Removal. A commissioner may also be removed by not less than a two-thirds (2/3) vote of the Council for breach of any code, canons, or tenets of ethics formally adopted pursuant to these Bylaws.

Section 9—Compensation. Commissioners shall serve without compensation. Public representatives shall receive honoraria for service in such amounts as the Board shall fix. Commissioners, as well as members of committees, if so provided in advance, shall be reimbursed for expenses incurred in performance of authorized duties.

ARTICLE V

Committees

Section 1—Standing Committees of the Council. There shall be the following standing committees of the Council:

- (a) *Nominating Committee.* The Nominating Committee shall be responsible for the screening of nominees and the selection of candidates for election as commissioners. It also shall identify persons qualified to be appointed as commissioners and recommend them to the Council for appointment. The Nominating Committee shall seek to maintain a Council that is generally representative of the types of member institutions.

(1) *Composition.* The Nominating Committee shall consist of five (5) members, including at least one (1) person from a nondegree institution and one from a degree-granting institution, two (2) representatives from the Executive Committee of the Board of Directors, and one (1) person from an ACICS-

accredited institution. The Chair of the Council and Board shall appoint the members of the Nominating Committee; the Chair-elect of the Council and Board automatically serves as the Chair of the Nominating Committee.

(2) *Procedures.* The membership of ACICS shall be notified of the composition of the committee and invited to submit to it names of qualified nominees. The committee in its selection of candidates shall be mindful of diversity of programs, size and types of institutions, and geographic representation. It shall develop and publish eligibility criteria, permissible campaign practices by candidates, and any special voting procedures. Interviews of nominees by the committee are permitted.

- (b) *Business Practices Committee.* The Business Practices Committee shall consist of commissioners appointed by the Chair of the Council and Board. The mission of the committee is to identify and promote quality business practices of career colleges and schools, to ensure integrity and ethical relations, and to foster cooperation among institutions on behalf of students and others served.
- (c) *Education Enhancement and Evaluation Committee.* The Education Enhancement and Evaluation Committee shall consist of commissioners appointed by the Chair of the Council and Board. The mission of the committee is to establish standards for educational quality that assist institutions in mission fulfillment, program planning and development, institutional evaluation activities, and successful educational outcomes.
- (d) *Financial Review Committee.* The Financial Review Committee shall consist of commissioners appointed by the Chair of the Council and Board. The mission of the committee is to monitor the financial stability of accredited institutions in order to ensure they maintain sufficient financial resources to deliver a quality education to their students.
- (e) *Institutional Effectiveness Committee.* The Institutional Effectiveness Committee shall consist of commissioners appointed by the Chair of the Council and Board. The mission of the committee is to assist institutions in the improvement of their outcomes by establishing and assessing criteria for institutional effectiveness. In order to assist ACICS-accredited institutions to meet established standards, the committee shall review Annual Institutional Reports, Institutional Effectiveness Plans, and institutional outcomes and measurements.
- (f) *Nontraditional Education Committee.* The Nontraditional Education Committee shall consist of commissioners appointed by the Chair of the

Council and Board. The mission of the committee is to develop, implement, and evaluate standards and procedures to assess educational quality when utilizing nontraditional education delivery methods. The standards and procedures adopted shall assist institutions in implementing effective and appropriate processes when using nontraditional educational delivery methods. The standards and procedures also will assist the Council when reviewing and assessing nontraditional educational delivery methods.

Section 2—Standing Committees of the Board of Directors. There shall be the following standing committees of the Board:

- (a) *Executive Committee.* The Executive Committee shall consist of the Chair of the Board of Directors, who shall serve as Chair of the Executive Committee; the Chair-elect of the Board, who shall serve as Chair of the Executive Committee in the absence of the Chair of the Board; the Secretary; the Treasurer; and two additional Directors elected annually by majority vote of the Board. The Executive Committee acts on behalf of the Board during the periods between Board meetings. Accurate minutes of each Executive Committee meeting shall be maintained and shall be provided to the Board of Directors at the next subsequent meeting of the Board of Directors. The Executive Committee's responsibilities shall be: between meetings of the Board, act on issues requiring the timely attention of the Board of Directors; in consultation with the Board of Directors, oversee the Executive Director's performance of his or her duties; and assume such other duties as the Board of Directors may from time to time delegate to the Executive Committee.
- (b) *Audit Committee.* The Audit Committee shall consist of a minimum of three members of the Board, including the Treasurer, as well as such other members as the Chair appoints. The committee shall work with the Executive Director to ensure an annual certified audit of the organization's financial activities is completed, that the findings of the audit are reviewed, and that actions are taken to address recommendations and areas of concern identified as part of the audit process.
- (c) *Investment Committee.* The Investment Committee shall consist of the Executive Director, a minimum of three other members of the Board, including the Treasurer, and such other members as the Chair appoints. The Investment Committee shall work with the Executive Director to provide oversight of ACICS's investment funds. The Investment Committee shall select investment

advisors, develop an investment plan, and review investment reports at least annually.

Section 3–Other Committees. The Board of Directors may establish and appoint members to other ad hoc committees as deemed necessary.

ARTICLE VI

Membership, Fees, Meetings

Section 1–Gaining Membership. Membership in ACICS is voluntary and can only be obtained through accreditation. Members shall be institutions or organizations which provide education or training as heretofore defined. Each main or branch campus is entitled to all of the rights and privileges and assumes all of the obligations of membership as provided in these Bylaws. The term of membership shall be coexistent with accreditation.

Section 2–Loss of Membership. Any member that ceases to be accredited by ACICS shall automatically, and without the necessity for further action, be deemed to be removed from membership. Members may voluntarily resign, which also results in loss of accreditation. All obligations owed to ACICS, including payment of fees, shall be fulfilled prior to resignation. The loss of accreditation shall be retroactive to the date that all outstanding obligations had previously been fulfilled.

Section 3–Types of Fees. There shall be three types of fees: (a) annual sustaining fees, (b) user (or service) fees, and (c) late fees. The annual sustaining fee shall be scaled by formula to the annual educational revenue generated by each member. The user fees shall relate to the cost of services requested or the actions initiated by the members or applicants for membership. The late fees shall be established by the Council.

Section 4–Change in Fees. The Council may adjust the fees annually equivalent to the change in the national Consumer Price Index. Any increase above the CPI percentage shall be presented to the membership for approval.

Section 5–Conditions of Payment. Sustaining fees are due and payable on October 31. The Council may authorize a discount for sustaining fees received by September 30 each year. Nonpayment of annual fees by October 31 subjects a member to automatic loss of membership and loss of accreditation without a hearing. Any request for extension of time to pay or for a periodic payment plan must be received and approved prior to September 30. Payment plans will not extend beyond December 31. Institutions using periodic payment plans shall be assessed an interest rate of one and one-half percent

(1.5%) per month on the unpaid balance. User fees must accompany the request for applicable service before the request will be processed.

Section 6—Proration of Fees. A member becoming eligible for membership during the first quarter of the fiscal year shall pay the full amount of the annual sustaining fees as applicable. Members becoming eligible during succeeding quarters shall pay a proportionate amount of the otherwise applicable fee as determined by the number of quarters remaining in the fiscal year, including the quarter in which membership is attained.

Section 7—Other Costs. In addition to fees herein described, members are required to submit in advance, by deadline certain, a deposit calculated to cover the costs of all on-site evaluations. Failure to submit the deposit on time may result in cancellation by the Council of the visit with ensuing accreditation consequences for noncompliance by the institution. If, for reasons of timing, the deposit is not received and the visit is conducted, the Council will withhold notification of any positive action taken by the Council until the deposit is received. Costs of unannounced visits required by law or regulation will be invoiced to the institution following the visit.

Section 8—Assessments. The Council, upon a majority vote, may propose an assessment in addition to the annual sustaining fees provided for in this Article where there has occurred or is impending an emergency which may impair the ability of the Council to achieve its purposes and the amount of annual dues is insufficient to meet the Council's requirements. The proposed assessment shall be submitted to the members for approval or disapproval on majority vote.

Section 9—Annual Meeting. A meeting of the members shall be held annually at a date and place to be determined by the Board of Directors. This meeting may be held concurrent with a meeting of similar or common-interest groups. The purpose of such meeting shall be the election of the persons to serve as commissioner and Director pursuant to these Bylaws, the receipt of reports on the budget and finances of ACICS and its activities and affairs, and the transaction of other business as may be specified by the Board in the call for and notice of the meeting. The meeting may combine these business purposes with informational and educational sessions; meetings of the Board, the Council, commissions, or committees; and special events for the members.

Section 10—Special Meetings. Special meetings of the members may be called by the Board of Directors upon request of a majority of the Board or upon petition to the Board by not fewer than the lesser of fifty (50) members or ten percent (10%) of the membership not under common ownership or control.

Section 11–Notice of Meetings. Normally, members shall be notified at least thirty (30) days in advance of the date, location, time, and purpose of all meetings of the members. Waiver of notice may be recorded at any special meeting of the members by majority vote of a quorum present at such meeting.

Section 12–Quorum. Twenty percent (20%) of the members eligible to vote and represented by Designated Delegates shall constitute a quorum at a meeting of the members for the transaction of business, except that any issue not properly noticed in the call for the meeting and that requires membership-wide participation may not be acted upon under new business. The Board of Directors may adopt such procedures as it deems necessary for the conduct of business. In the absence of an established procedure, *Robert’s Rules of Order* shall apply.

Section 13–Meetings of the Council. The Council shall convene as often as necessary to review materials attendant to the accrediting process and to take formal action on the accredited status of applicants.

ARTICLE VII

Appeals Process

Section 1–Review Board for Appeals. A Review Board for Appeals shall be appointed by the Council. The purpose of the Review Board shall be to review, according to pre-established procedures and guidelines, appeals by members of final negative actions by the Council and either to affirm the action of the Council or to remand the case for further review. The Review Board shall consist of fifteen (15) persons, all of whom have had experience in accreditation. Members of the Review Board shall be appointed to terms of three years, with terms of initial appointees staggered so that one-third of the terms expire each year. A person appointed to the Review Board shall not have been a commissioner within one year prior to appointment. The Chair of the Council shall convene timely a panel of the Review Board when necessary.

Section 2–Due Process. Criteria promulgated by the Council shall ensure that institutions are provided a fair and reasonable opportunity to present reasons why denial, suspension, withdrawal, or other final actions taken by the Council are inappropriate and should be remanded for further consideration. The due process provided is not required to be a full hearing on the record or before the full Council. However, all appeals to the Review Board for Appeals shall be on the record and shall provide for the submission of briefs and oral testimony by institutional representatives.

ARTICLE VIII

Miscellaneous

Section 1—Liability. No applicant, member, or former member shall be liable for the debts of ACICS in any amount except to the extent of the fees required of each member pursuant to Article VII, Sections 3 and 8, hereof.

Section 2—Corporate Seal. The corporate seal shall be in such form as may be approved by the Board of Directors.

Section 3—Checks, Notes, Contracts. The Board of Directors shall determine the persons who will be authorized on the Corporation's behalf to sign checks, drafts, or other orders for payment of money; to sign acceptances, notes, or other evidences of indebtedness; to enter into contracts; or to execute and deliver other documents and instruments. The Board of Directors shall, at its discretion, require officers, agents, employees, and other persons so authorized pursuant to this Section to give security for the faithful performance of their duties.

Section 4—Books and Records. The Corporation shall keep at its office correct and complete books and records of the accounts and transactions of the Corporation and a current list of the members, directors, and officers of the Corporation. Such books and records may be in written form or in any other form capable of ready conversion to written form.

Section 5—Confidentiality. The Council shall maintain the confidentiality of the accrediting process with members insofar as permitted by accrediting criteria, law, and regulation. The Council shall have written policies on disclosure of information to third parties.

Section 6—Indemnification and Insurance. The Corporation shall indemnify and hold harmless each director, officer, commissioner, member of an appeals board, member of a visiting team, agent, employee, or other person acting on behalf of the Corporation or the Council against and from all loss, cost, and expense reasonably incurred by such person in the payment, defense, or settlement of any claim, suit, or proceeding brought against such person because they acted as part of or on behalf of ACICS, the Council, or the Review Board, as a director, officer, commissioner, member of an appeals board, member of a visiting team, agent, or employee. The rights specified in this Section shall

apply whether or not persons continue to act in such capacity at the time the loss, cost, or expense is incurred. Such rights shall not apply in relation to any matters as to which any such person shall be finally adjudged to be liable for willful misconduct. The Board of Directors also may authorize the purchase and maintenance of insurance on behalf of such persons and the Corporation against any liability that arises from their actions in such capacities.

Section 7–Amendments. The Bylaws of the Corporation may be amended by the Board of Directors by majority vote of all the directors.

Section 8–Dissolution. ACICS shall use its funds only to accomplish the objectives and purposes set forth in these Bylaws, and no part of said funds shall inure or be distributed to the members of ACICS. On dissolution of ACICS, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific, or philanthropic organizations to be selected by the Board of Directors.

Section 9–Fiscal Year. The fiscal year of ACICS shall be July 1 through June 30.

ARTICLE IX

Litigation, Jurisdiction and Venue, and Expenses

Section 1–Suits Against ACICS, Jurisdiction, and Exhaustion of Administrative Remedies. Jurisdiction and venue of any suit, claim, or proceeding relating to membership, accreditation, or accredited status, whether a claim for damages or injunctive or declaratory relief, brought by an accredited member, former member, or applicant for membership and accredited status against ACICS, the Council, the Review Board, or a commissioner, officer, committee member, Review Board member, or staff member acting in his or her official capacity shall only be in the U.S. District Court for the Eastern District of Virginia, Alexandria Division, or the Circuit Court for the City of Alexandria, Virginia. Accredited members, former members, and applicants must exhaust all administrative remedies provided for in the ACICS *Criteria* and Bylaws before initiating any suit, claim, or proceeding in Court.

Section 2–Reimbursement of ACICS’s Litigation Expenses. An applicant for membership, member, or former member of ACICS shall reimburse ACICS for all costs and expenses (including attorney’s fees) actually and reasonably incurred by ACICS in defending any suit, claim, or proceeding, whether for damages or for injunctive or declaratory relief, brought by an applicant, member, former member, or one or more present or former students of any of the foregoing against ACICS, the Council, the Review Board, any

commissioners of the Council, or members of the Review Board, or officers, employees, or agents of ACICS, the Council, acting in their official capacity, where ACICS, the Council, the Review Board, the commissioner, officer, employee, or agent shall have been adjudged to be the prevailing party in the suit, claim, or proceeding.

Section 3—Other Expenses. Each member shall reimburse ACICS for all costs and expenses (including attorney's fees) incurred by it in the production of any of the Corporation's, or the Council's, records relating to such member in response to lawful requests from parties in litigation or from state or federal agencies.

Section 4—Binding Effect.

- (a) Each existing member and new member of ACICS shall be provided with a copy of these Bylaws. Acceptance or continuation of membership in ACICS shall constitute each member's agreement to be bound by the provisions of these Bylaws, as they may be amended from time to time, while a member of and subsequent to the termination of membership in ACICS.
- (b) Each applicant for membership in ACICS shall be provided with a copy of these Bylaws. Application for membership in ACICS shall constitute such applicant's agreement to be bound by the provisions of these Bylaws, as they may be amended from time to time, regardless of whether such applicant becomes a member of ACICS.

B. ACICS Web Site

The ACICS Web site, *ACICS Online*, continues to be updated based on Council activities. The site contains revised and detailed information about accreditation, accredited institutions, applications, publications, workshops and special events.

C. 2008 ACICS Annual Meeting

You are cordially invited to attend the 2008 ACICS Annual Meeting from June 23-24. The meeting will be held at the Mandalay Bay Resort & Casino in Las Vegas, Nevada. The ACICS Annual Meeting provides our members with an opportunity to network, exchange ideas and learn about the latest developments in accreditation.

There is no charge to attend the ACICS Annual Meeting; however, you must register in advance, and visit the registration desk upon arrival. For further information, please contact Ms. Andrea Reid at areid@acics.org or visit our website at <http://www.acics.org/index.html>.

D. 2008 Workshop Schedule

Deferral Workshop	Thursday, June 12	Washington, DC
Initial Applicant Workshop	Monday, June 23	Las Vegas, NV
Accreditation Workshop (3)	Monday, June 23	Las Vegas, NV
Evaluator Training Workshop	Monday, June 23	Las Vegas, NV
Accreditation Workshop	Thursday, September 4	Washington, DC
Evaluator Training Workshop	Friday, September 5	Washington, DC
Adding Value: Distance Education	Friday, September 5	Washington, DC
Deferral Workshop	Thursday, September 11	Washington, DC
Chair Training Workshop	Friday, September 26	Washington, DC
Adding Value: IEP Workshop	Friday, October 3	Washington, DC
Accreditation Workshop	Thursday, October 16	Indianapolis, IN
Evaluator Training Workshop	Friday, October 17	Indianapolis, IN
Accreditation Workshop	Thursday, October 30	Washington, DC
Evaluator Training Workshop	Friday, October 31	Washington, DC
Adding Value: IEP Workshop	Friday, October 31	Washington, DC

E. Public Participation

The Council encourages institutions to provide feedback regarding Council operations and procedures. In order to assure thorough and careful consideration of constituent requests, please submit all agenda items at least 45 days prior to a Council meeting. Items received less than 45 days prior to a Council meeting may not have sufficient time for review and, therefore, may not be included on the agenda. Council meetings are scheduled every April, August, and December. All materials for review during the August 2008 Council Meeting should be submitted by **June 20, 2008**.

IV. COMMENT FORM – PROPOSED CRITERIA REVISIONS

ACICS ID Code: _____ Date: _____

Name of
Organization: _____

Address: _____

Please check (as appropriate):

Proposed *Accreditation Criteria* revisions:

A. Faculty Preparation ☐ Accept as Written ☐ Modify (explain below)

Prepared by: _____

Title: _____

Signature: _____

Please respond by June 20, 2008 to:

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