

U.S. Department of Education

**Staff Report
to the
Senior Department Official
on
Recognition Compliance Issues**

RECOMMENDATION PAGE

1. **Agency:** American Board of Funeral Service Education (1972/2002)

(The dates provided are the date of initial listing as a recognized agency and the date of the agency's last grant of recognition.)

2. **Action Item:** Petition for Continued Recognition

3. **Current Scope of Recognition:** The accreditation of institutions and programs within the United States awarding diplomas, associate degrees and bachelor's degrees in funeral service or mortuary science, including the accreditation of distance learning courses and programs offered by these programs and institutions.

4. **Requested Scope of Recognition:** Same as above.

5. **Date of Advisory Committee Meeting:** December, 2010

6. **Staff Recommendation:** Continue the agency's recognition and require the agency to submit a compliance report in 12 months that demonstrates the agency's compliance with the issues identified in this report.

7. **Issues or Problems:** The issues are summarized below and discussed in detail in the SUMMARY OF FINDINGS section of this report.

- The agency must meet the separate and independent requirements as described in the following section or in the alternative, meet the waiver of the separate and independent requirements under 602.14(d)(e). [602.14(a)]

- The agency must take corrective action to meet 602.14(b)(1) and (2) or seek a waiver of the separate and independent requirements. [602.14(b)]

- The agency must demonstrate how it ensures that representatives of the public meet the definition of a public member. [602.15(a)(5)]

- The agency needs to demonstrate final adoption of its standard on student complaints. [602.16(a)(1)(ix)]

- The agency must demonstrate how it assesses institutions verification of student identity for those enrolled in distance education via processes that protect student privacy and are transparent regarding costs associated with the verification process. [602.17(g)]

- The agency needs to demonstrate that it has and applies effective mechanisms for reviewing and approving all types of substantive change requests. [602.22(a)(1)]

- The agency needs provide documentation clearly reflecting its review and approval of substantive changes. [602.22(a)(2)(i-vii)]

- The agency needs to expand its substantive change policy and to demonstrate that it has effective mechanisms in place to review and approve substantive changes identified in this section of the criteria. [602.22(a)(2)(ix-x)]
- The agency must demonstrate that it has defined, and applies, as appropriate, in its review of substantive changes, those situations/factors of a substantive change under this section of the criteria that are significant enough to warrant a new comprehensive evaluation of the institution. [602.22(a)(3)]
- The agency needs to demonstrate the final adoption of its policy on transfer of credit and to document the agency's review of institutions compliance with agency policy. [602.24(e)]
- The agency needs to document that the appeal panel provides the institution or program with written notification of the appeal panel's rationale for the basis of the appeal result. [602.25(g)]
- The agency must demonstrate that it has policies and a process for including comments from an institution or program that is the subject of an adverse action with its notification to the Secretary. [602.26(d)]
- The agency must demonstrate application of its policy requirements under this section. [602.28(d)]

EXECUTIVE SUMMARY

PART I: GENERAL INFORMATION ABOUT THE AGENCY

The American Board of Funeral Service Education (ABFSE), Committee on Accreditation (COA), is a national specialized accrediting agency. Its current scope of recognition is the accreditation of institutions and programs awarding diplomas, associate degrees and bachelor's degrees in funeral service or mortuary science. ABFSE is, therefore, both an institutional and programmatic accreditor.

ABFSE currently accredits approximately 46 programs in 31 states and the District of Columbia. ABFSE also accredits 11 single purpose institutions in two of which also have regional accreditation. However, it serves as the Title IV gatekeeper, of nine institutions enabling them to establish eligibility to participate in the Title IV student financial aid programs. As such, it must meet the separate and independent requirements as set forth in the Secretary's Criteria for Recognition or seek a waiver. As of this review the agency has been found not to meet the definition of "separate and independent" as provided in the regulations.

Recognition History

At the NACIQI's May 2007 meeting the agency petitioned for continued recognition and an expansion of its scope of recognition to include distance education. At that meeting the NACIQI recommended that the Secretary defer a decision on continued recognition for a period of one year, but did not make a specific recommendation regarding the agency's request for an expansion of its scope of recognition. The agency accepted the NACIQI's recommendation to defer its recognition for a year. However, it appealed and requested the Secretary to grant its request to expand its current scope of recognition to include distance education courses and programs. In November 2007, the Secretary granted the agency's appeal to have distance education included in its current scope of recognition and required the agency to submit an interim report by March 2008 addressing the following issues:

- It needed to provide on-going evidence of the sufficiency of its financial resources to continue to carry out its accreditation activities by submitting annual audited financial statements for Department staff review. [§602.15(a)(1)]
- It needed to demonstrate that it was applying its standards in the evaluation of a program's compliance with national averages set for attrition, graduation, and placement rates. [§602.16(a)(1)(i)]
- It needed to establish and adhere to policies and procedures demonstrating that the timeframe it allows for schools to come into compliance does not exceed the Secretary's Criteria. [§602.20(a)]
- It needed to conduct a systematic review of its standards immediately, in accordance with its procedures. [§602.21(a) and (b)]
- It needed to demonstrate that its procedures for the revision of its standards ensured that all of its communities of interest, including students, had an opportunity to provide feedback on proposed revised standards. Also, it needed to demonstrate how it used the data it collected from the six indices to guide revisions to the standards. [§602.21(c)]
- It needed to expand its policy to include a written commitment that the agency will work with the Department and the appropriate State agency, to the extent feasible, to ensure that students are given reasonable opportunities to complete their education without additional charge when an accredited school closes. [§602.24(c)]

At the NACIQI's June 2008 meeting the agency presented its interim report and supporting documentation. Both the Department and the NACIQI recommended that the agency's recognition be

renewed for a period of four years. The Secretary had not made a final decision prior to passage of the Higher Education Opportunity Act, which contained a number of provisions related to accrediting agency recognition that were effective upon enactment. Subsequently, new regulations were developed, effective July 1, 2010. As a consequence, the agency was required to submit an updated petition for review by staff and NACIQI.

PART II: SUMMARY OF FINDINGS

§602.14 Purpose and organization

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

The Secretary recognizes...

(1) An accrediting agency

- (i) Has a voluntary membership of institutions of higher education;
- (ii) Has as a principal purpose the accrediting of institutions of higher education and that accreditation is a required element in enabling those institutions to participate in HEA programs; and
- (iii) Satisfies the "separate and independent" requirements in paragraph (b) of this section.

(2) An accrediting agency

- (i) Has a voluntary membership; and
- (ii) Has as its principal purpose the accrediting of higher education programs, or higher education programs and institutions of higher education, and that accreditation is a required element in enabling those entities to participate in non-HEA Federal programs.

(3) An accrediting agency for purposes of determining eligibility for Title IV, HEA programs--

- (i) Either has a voluntary membership of individuals participating in a profession or has as its principal purpose the accrediting of programs within institutions that are accredited by a nationally recognized accrediting agency; and
- (ii) Either satisfies the "separate and independent" requirements in paragraph (b) of this section or obtains a waiver of those requirements under paragraphs (d) and (e) of this section.

(4) A State agency

- (i) Has as a principal purpose the accrediting of institutions of higher education, higher education programs, or both; and
- (ii) The Secretary listed as a nationally recognized accrediting agency on or before October 1, 1991 and has recognized continuously since that date.

While the agency notes its eligibility under 602.14(a) (1), actually the agency link to eligibility is under 602.14(a) (3) as its principal purpose is the accreditation of programs within institutions accredited by nationally recognized accreditors. The agency has not sought any waiver of the separate and independent requirements. The agency does not meet the separate and independent requirements as described in the following section.

Analyst Remarks to Response:

In response to the draft analysis the COA requested the Department's guidance on how to determine its proper category.

ABFSE's Committee on Accreditation (COA) has been continuously recognized since 1972. Initial recognition of the agency was as a specialized accrediting agency. While the COA believes that it should be recognized by the Secretary as a category 1 agency the Department has been consistent in its evaluation of the agency as a programmatic accreditor that has as a Federal link the accreditation of single purpose institutions that may by its accreditation seek participation in Title IV Federal Student Aid Programs. Department staff has met with the COA leadership to provide guidance on the requirements of this section and presented the agency with the alternative of seeking a waiver of the Secretary's "separate and independent" requirements should it choose to do so.

The agency does not meet the requirements of this section. It must meet the separate and independent requirements as described in the following section or in the alternative, meet the waiver of the separate

and independent requirements under 602.14(d)(e).

(b) For purposes of this section, the term separate and independent means that--

- (1) The members of the agency's decision-making body--who decide the accreditation or preaccreditation status of institutions or programs, establish the agency's accreditation policies, or both--are not elected or selected by the board or chief executive officer of any related, associated, or affiliated trade association or membership organization;**
 - (2) At least one member of the agency's decision-making body is a representative of the public, and at least one-seventh of that body consists of representatives of the public;**
 - (3) The agency has established and implemented guidelines for each member of the decision-making body to avoid conflicts of interest in making decisions;**
 - (4) The agency's dues are paid separately from any dues paid to any related, associated, or affiliated trade association or membership organization; and**
 - (5) The agency develops and determines its own budget, with no review by or consultation with any other entity or organization.**
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ABFSE provided its By-laws and its Manual on Accreditation that reflect it has written policies and procedures that describe its process for the nomination and selection of its Committee on Accreditation (COA) which is the agency's decision-making body on all accrediting policy matters and accrediting decisions regarding its program and institutional membership. The agency solicits three organizations for nominees for Professional member positions on the Committee. However, the agency has not made it clear how it ensures that professional member nominees do not come from the leadership of the organizations, which would be a conflict of interest.

Currently the COA has 11 members 2 of which are representatives of the public. The agency's By-laws provide a definition of public membership and stipulate the number of public members required on the COA. These requirements mirror the Secretary's definition and requirements that at least one-seventh of that body consists of representatives of the public. However, the agency did not provide the resumes of its public representatives to verify that they met the agency's definition of a public representative or other evidence verifying that its public members are compliant with this section of the criteria.

The agency's Manual on Accreditation also contains its Conflict of Interest Policy that describe clearly what the agency considers to be a real or perceived conflict of interest, and under what circumstances it staff, site review team members and members of its decision making body are required to recuse themselves from accrediting decisions. The agency also provided a sample unsigned copy of a conflict of interest statement.

The agency's Manual on Accreditation and Section A of Article VI of its By-laws clearly establish the autonomy of the COA in terms of its membership, its self-perpetuating character and its financial separation from the ABFSE. These policies require the COA to independently develop its own budget and administer its own financial operation. However, the COA and ABFSE budgets are rolled together which presents a perception of a commingling of funds. The Department is uncomfortable with this budget format and has addressed this issue with the agency in the past. The agency's polices state that they collect dues that are paid by its member programs and institutions and that these dues are not used to pay dues to any other organization. While the agency's policies are detailed in its responsibilities under this requirement it does not provide a process or demonstrate its autonomy in the development of its budget and collection of dues.

The agency does not meet the requirements of this section of the criteria. It needs to demonstrate its application of the requirements of this section.

Analyst Remarks to Response:

In response to the draft staff analysis the agency provided a copy of revised policies addressing the Department's concerns regarding how the agency prevents the CEO of its affiliated organizations from selecting or electing decision-making body members. The agency revised its policies to not allow elected members of the Boards of any related, affiliated, associated, or membership organization or their CEO's to sit on the COA. However, this policy will not bring the agency into compliance as it still allows "non-elected" Board members from those organizations to sit on the COA. The purpose of the criterion is to guard against undue influence on an accrediting agency's decision-makers. It doesn't matter how the leadership (Board members) of a related, affiliated, associated, or membership organization take their seats on the Board, that they are in a leadership position of an organization whose mission may conflict with the COA's function which can result in either undue influence or the perception of it makes the agency's policy untenable.

The agency also provided copies of its public representative's resumes and signed conflict of interest statements reflecting the compliance with this section. However, the agency failed to provide documentation that its public members meet the requirements of this section specifically that component that requires that family members are not associated with any accredited program or associated organization.

The agency's response to the draft staff analysis also included budgets, invoices and minutes of COA meetings verifying that the agency prepares and administers its own budget, collects appropriate dues and fees from its membership programs and institutions and pays fair market value for its proportionate share of facilities, services, equipment and personnel.

The agency does not meet the requirements of this section. It must take corrective action to meet 602.14)(b)(1) and (2) or seek a waiver of the separate and independent requirements.

§602.15 Administrative and fiscal responsibilities

The agency must have the administrative and fiscal capability to carry out its accreditation activities in light of its requested scope of recognition. The agency meets this requirement if the agency demonstrates that--

(a) The agency has--

(5) Representatives of the public on all decision-making bodies; and

The COA has two public representatives. The ABFSE Manual on Accreditation definition of a public representative is in compliance with the Secretary's requirements for this section. The agency's narrative also describes the nomination, certification and selection of the COA's public representatives. The agency's reports that it requires the COA to review the resume of each individual nominated to be public representatives to verify that the person meets the agency's eligibility requirements. However, the agency did not provide any resumes of its public representatives or evidence that it has a process in place by which it applies its requirements for the nomination and selection of public representatives or how it ensures that the public members meet the definition of a public member.

The agency does not meet the requirements of this section of the criteria. It needs to provide documentation of the process it uses to nominate and select the COA's public representatives.

Analyst Remarks to Response:

In response to the draft staff analysis the agency provided resumes of its public members and portions of its policies documenting qualification. Additional evidence including minutes from its decision meeting documenting its process for verifying the qualification of its public representative candidates and how it nominates and selects the COA's public representatives. However, the agency did not provide documentation on how it verifies that each public member meets the definition requirements, specifically the component that requires that family members are not associated with any accredited program or associated organization.

Staff determination: The agency does not meet the requirements of this section. It must demonstrate how it ensures that representatives of the public meet the definition of a public member.

§602.16 Accreditation and preaccreditation standards

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

(1) The agency's accreditation standards effectively address the quality of the institution or program in the following areas:

(a)(1)(ix) Record of student complaints received by, or available to, the agency.

The agency demonstrated that it requires institutions/programs to keep and make available records of student complaints. The agency provided documentation (written standards, a self-study, a site team report, and an annual report) that verifies that the agency requires its programs and institutions to report and make available to the agency all student complaints and the actions taken on the complaints as part of the review of the program or institution for accreditation. However, the agency's standard does not ensure that students are aware of the opportunity and directions on how to submit their complaints to the institution or program and receive resolution timely as it does not require institutions and programs to have a written complaint procedure or and to make it publicly available to all students.

The agency does not meet the requirements of this section; it needs to demonstrate it has standards that ensure students are afforded opportunity and guidance on submitting complaints.

Analyst Remarks to Response:

In response to the staff draft analysis the COA provided its revised student complaint standard revisions to ensure that students are afforded the opportunity and guidance on submitting complaints.

Department staff observed the COA grant initial approval to revised student complaint policies at its decision meeting in October 2010. While the revisions as initially adopted are compliant, the review and comment process may result in further revisions. Compliance with a criterion is based on the final adoption of complaint standards.

The agency does not meet the requirements of this section; it needs to demonstrate final adoption of its standard

§602.17 Application of standards in reaching an accrediting decision.

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

(g) Requires institutions that offer distance education or correspondence education to have processes in place through which the institution establishes that the student who registers in a distance education or correspondence education course or program is the same student who participates in and completes the course or program and receives the academic credit. The agency meets this requirement if it--

(1) Requires institutions to verify the identity of a student who participates in class or coursework by using, at the option of the institution, methods such as--

(i) A secure login and pass code;

(ii) Proctored examinations; and

(iii) New or other technologies and practices that are effective in verifying student identity; and

(2) Makes clear in writing that institutions must use processes that protect student privacy

and notify students of any projected additional student charges associated with the verification of student identity at the time of registration or enrollment.

The standards reflected in the Manual on Accreditation in Appendix E (Electronic and Distance Learning Guidelines) which was last revised in 2008 includes under Section F (Curriculum) the requirement that an institution/program must verify student identity during examinations. The agency also states that it will begin to require its programs and institutions to document in their 2010 annual reports what is the mechanism/set of procedures by which the program/institution verifies compliance with this requirement.

The agency did not provide any documentation of written instructions or guidance to its programs/institutions regarding this requirement. Also, it has not demonstrated that it provides guidance to its site team members and decision-making body on how to verify compliance with this section in a self study or an on- site team evaluation. As the agency established this expectation in 2008, staff would expect the agency to be able to demonstrate that it was assessing how programs/institutions are verifying student identity. Also, the agency has not specifically requested that its scope of recognition include correspondence education (separate from distance education), and has not provided any documentation that it assesses correspondence education differently from distance education, in accordance with the definitions of these delivery modes in 602.3. (this doesn't need to be included unless some the agency's materials reference correspondence education; if they do, the agency needs to remove those references)

The agency does not meet the requirements of this section. It must provide documentation that it assesses institution's/program's verification of a student's identity as it reviews and evaluates its accredited programs and institutions for compliance with its requirements.

Analyst Remarks to Response:

In response to the draft staff analysis COA clarified that it does provide instructions or guidance to its programs/institutions regarding the requirements of this section (student identification verification) . The agency also reports that it provided documentation demonstrating that it assesses a program/institution's verification of a student's identity as it reviews and evaluates its accredited programs/institutions for compliance with this requirement. However, it is not clear to the Department what documentation the agency provided demonstrates that it assess verification of student identify.

The agency does not meet the requirements of this section. It must demonstrate how it assesses institutions verification of student identity for those enrolled in distance education via processes that protect student privacy and are transparent regarding costs associated with the verification process.

§602.22 Substantive change.

(a) If the agency accredits institutions, it must maintain adequate substantive change policies that ensure that any substantive change to the educational mission, program, or programs of an institution after the agency has accredited or preaccredited the institution does not adversely affect the capacity of the institution to continue to meet the agency's standards.

The agency meets this requirement if--

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

The agency provided its policies which require that its accredited institutions notify it in writing of changes before implementation and submit a report or additional information, if necessary, depending on the type of change. Prior approval is required before changes will be included in an institution's scope of accreditation.

While the agency requires the Committee's prior approval on all substantive changes listed in the Secretary's criteria, it did not provide any documentation of the application of its process such as procedures, or evidence of the review of requested approvals showing that the proposed change does not adversely affect the capacity of the institution to continue to meet the agency's standards.

The agency does not meet the requirements of this section of the criteria. It must demonstrate that it has

and applies effective mechanisms for reviewing and approving all types of substantive change request

Analyst Remarks to Response:

The agency was determined to have compliant policies at the COA decision meeting in October 2010 when these policies and procedures were adopted. It still needed to demonstrate that it has and applies effective mechanisms for reviewing and approving all types of substantive change request. Though the agency's policies indicate that the agency will consider requests on a case-by-case basis, the policies alone, do not provide sufficient detail to provide adequate guidance on what the agency requires from an institution when it requests a substantive change or procedures that describe a consistent approach to the review and approval process. In the subsequent section, the agency has identified that it has had two substantive changes. However, it did not support its description with documentation specific to its request, review, and approval of substantive changes..

The agency does not meet the requirements of this section. It needs to demonstrate that it has and applies effective mechanisms for reviewing and approving all types of substantive change requests.

(2) The agency's definition of substantive change includes at least the following types of change:

(i) Any change in the established mission or objectives of the institution.

(ii) Any change in the legal status, form of control, or ownership of the institution.

(iii) The addition of courses or programs that represent a significant departure from the existing offerings of educational programs, or method of delivery, from those that were offered when the agency last evaluated the institution.

(iv) The addition of programs of study at a degree or credential level different from that which is included in the institution's current accreditation or preaccreditation.

(v) A change from clock hours to credit hours.

(vi) A substantial increase in the number of clock or credit hours awarded for successful completion of a program.

(vii) If the agency's accreditation of an institution enables the institution to seek eligibility to participate in title IV, HEA programs, the entering into a contract under which an institution or organization not certified to participate in the title IV, HEA programs offers more than 25 percent of one or more of the accredited institution's educational programs.

The agency's current policy referencing substantive change is not sufficiently clear in identifying that it includes the types of substantive changes outlined in this criterion. Also, the agency did not provide evidence that it has effective mechanisms in place to review and approve the types of substantive changes identified in this section of the criteria.

The agency does not meet the requirements of this section. It needs to expand its substantive change policy and to demonstrate that it has effective mechanisms in place to review and approve substantive changes identified in this section of the criteria.

Analyst Remarks to Response:

At its October 2010 meeting, the COA adopted policy identifying as substantive changes, the types of substantive changes listed in the criteria for recognition. Though the agency's policies indicate that the agency will consider requests on a case-by-case basis, the policies alone, do not provide sufficient detail to provide adequate guidance on what the agency requires from an institution when it requests a substantive change or procedures that describe a consistent approach to the review and approval process. The agency has identified that it has had two substantive changes. However, it did not support its description with documentation specific to its request, review, and approval of substantive changes..

The agency does not meet the requirements of this section. It needs provide documentation clearly reflecting its review and approval of substantive changes.

(ix) The acquisition of any other institution or any program or location of another institution.

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

The agency's current policy referencing substantive change is not sufficiently clear in identifying that it includes the types of substantive changes outlined in this criterion. Also, the agency did not provide evidence that it has effective mechanisms in place to review and approve the types of substantive changes identified in this section of the criteria.

The agency does not meet the requirements of this section. It needs to expand its substantive change policy and to demonstrate that it has effective mechanisms in place to review and approve substantive changes identified in this section of the criteria.

Analyst Remarks to Response:

In response to the draft staff analysis, at its October 2010 meeting, the COA adopted policy identifying as substantive changes, the types of substantive changes listed in this section of the criteria for recognition. However, it is not clear what criteria the agency will use to assess the substantive change request.

The agency does not meet the requirements of this section. It needs to expand its substantive change policy and to demonstrate that it has effective mechanisms in place to review and approve substantive changes identified in this section of the criteria.

(3) The agency's substantive change policy must define when the changes made or proposed by an institution are or would be sufficiently extensive to require the agency to conduct a new comprehensive evaluation of that institution.

The agency has stated that it uses annual reports, focused visits, and both announced and unannounced visits to identify and make determinations when a new evaluation is required. However, these mechanisms are not timely for situations identified under this section of the criteria. The agency is expected to define those situations/factors of a substantive change under this section of the criteria (e.g., multiple or sufficiently expansive substantive changes) that are significant enough to warrant a new comprehensive evaluation of the institution.

The agency does not meet the requirements of this section of the criteria. It must demonstrate that it has defined, and applies, as appropriate, in its review of substantive changes, those situations/factors of a substantive change under this section of the criteria that are significant enough to warrant a new comprehensive evaluation of the institution.

Analyst Remarks to Response:

In response to the draft staff analysis the COA provided revised substantive change policy that states the agency will consider substantive changes on a case by case basis and determine whether a comprehensive evaluation of an institution is appropriate. The agency states that "Obviously changes that significantly impact the offerings of an institution, its character, or reflect changes in mission will normally result in the need for a comprehensive evaluation." However, it is not clear what are those changes that would be key indicators of potential impact that will trigger the need for a comprehensive re-evaluation.

The agency does not meet the requirements of this section of the criteria. It must demonstrate that it has defined, and applies, as appropriate, in its review of substantive changes, those situations/factors of a substantive change under this section of the criteria that are significant enough to warrant a new comprehensive evaluation of the institution

§602.24 Additional procedures certain institutional accreditors must have.

If the agency is an institutional accrediting agency and its accreditation or preaccreditation enables those institutions to obtain eligibility to participate in Title IV, HEA programs, the agency must demonstrate that it has established and uses all of the following procedures:

(e) Transfer of credit policies.

The accrediting agency must confirm, as part of its review for initial accreditation or preaccreditation, or renewal of accreditation, that the institution has transfer of credit policies that--

(1) Are publicly disclosed in accordance with §668.43(a)(11); and

(2) Include a statement of the criteria established by the institution regarding the transfer of credit earned at another institution of higher education.

(Note: This criterion requires an accrediting agency to confirm that an institution's teach-out policies are in conformance with 668.43 (a) (11). For your convenience, here is the text of 668.43(a) (11):

"A description of the transfer of credit policies established by the institution which must include a statement of the institution's current transfer of credit policies that includes, at a minimum –

(i) Any established criteria the institution uses regarding the transfer of credit earned at another institution; and

(ii) A list of institutions with which the institution has established an articulation agreement."

The agency has referenced its standard 10.1 in addressing this criterion. Review of standard 10.1 did not find any evidence that the agency requires and confirms as part of its review that the institution has written transfer of credit policies that are publicly disclosed and include the statement of the criteria established by the institution regarding the transfer of credit earned at another institution.

The agency also references Appendix I which, on review, is Middle States Commission on Higher Education (MSCHE) policy statement on Advertising, Student Recruitment, and Representation of accredited status. The agency provided no evidence of its (complete and without even name revision), adoption of the MSCHE policy as its own. Neither does the document reflect the requirement of this section regarding transfer of credit.

The agency does not meet the requirements of this section of the criteria. It needs to provide its own written policy and procedures and evidence that the agency requires and confirms as part of its review that the institution has written transfer of credit that are publicly disclosed and include the statement of the criteria established by the institution regarding the transfer of credit earned at another institution.

Analyst Remarks to Response:

In response to draft staff analysis the agency provided a copy of its newly revised policy requiring institutions to have transfer of credit policies that requires the COA as part of its review of an institution to ensure that the institution has a written transfer of credit policy that is publicly disclosed and includes the statement of the criteria established by the institution regarding the transfer of credit earned at another institution. Department staff was able to observe the COA decision meeting in October 2010 when this new policy was initially approved. Final approval is expected in April 2011.

The agency provided no documentation of its application of its policy in its review of institutions for accreditation.

The agency does not meet the requirements of this section. It needs to demonstrate the final adoption of

its policy on transfer of credit and to document the agency's review of institutions compliance with agency policy.

§602.25 Due process

(g) The agency notifies the institution or program in writing of the result of its appeal and the basis for that result.

The agency's appeal process as reflected in its accreditation manual requires the Committee to notify the institution or program in writing of the results and reason for its determination. The agency did not provide any evidence of its notification of an appeal to demonstrate that it follows its policies.

Analyst Remarks to Response:

In response to the draft staff analysis the agency provided a copy of a letter to an institution notifying it of the results of the institution's appeal to the COA, however, the documentation did not include the basis for the result. The agency also provided minutes from the appeal body's decision meeting regarding the institution's appeal; however this document, too, did not include any rationale for the basis of the appeal result.

The agency does not meet the requirements of this section. It needs to document that the appeal panel provides the institution or program with written notification of the appeal panels rationale for the basis of the appeal result.

§602.26 Notification of accrediting decisions

The agency must demonstrate that it has established and follows written procedures requiring it to provide written notice of its accrediting decisions to the Secretary, the appropriate State licensing or authorizing agency, the appropriate accrediting agencies, and the public. The agency meets this requirement if the agency, following its written procedures--

(d) For any decision listed in paragraph (b)(2) of this section, makes available to the Secretary, the appropriate State licensing or authorizing agency, and the public, no later than 60 days after the decision, a brief statement summarizing the reasons for the agency's decision and the official comments that the affected institution or program may wish to make with regard to that decision, or evidence that the affected institution has been offered the opportunity to provide official comment; and

ABFSE's policies require and outline its notification of final accrediting decisions. Decisions to deny or revoke accreditation, along with a brief summary of the reasons for the decision, are to be sent to groups outlined in the Secretary's Criteria within the 60-day timeframe. However, the agency did not provide any documentation demonstrating that it has policies and procedures reflecting the requirements in section (d) related to comments from the affected institution or program.

The agency does not meet the requirements in this section of the criteria. It needs to provide policies and a process for allowing comments from the affected institution or program.

Analyst Remarks to Response:

In response to the draft staff analysis the agency concurred with the Department that its existing policy failed to make reference to providing for comments from a program/institution in response to a COA action. The agency's response referenced a revised policy; no policy was provided.

The agency does not meet the requirements of this section. It must demonstrate that it has policies and a process for including comments from an institution or program that is the subject of an adverse action with its notification to the Secretary..

§602.28 Regard for decisions of States and other accrediting agencies.

(d) If the agency learns that an institution it accredits or preaccredits, or an institution that offers a program it accredits or preaccredits, is the subject of an adverse action by another recognized accrediting agency or has been placed on probation or an equivalent status by another recognized agency, the agency must promptly review its accreditation or preaccreditation of the institution or program to determine if it should also take adverse action or place the institution or program on probation or show cause.

While the agency has policies that describe it will require a report from an accredited program that is part of an institution that is subject to an adverse action by its accreditor or state agency, which will be discussed at the next COA meeting, the agency did not provide any evidence of what it expects to be reported or of the review it conducts to determine the impact on its accreditation status with the COA.

The agency must demonstrate that it has an effective mechanism to collect and review sufficient information to determine impact on its accreditation.

Analyst Remarks to Response:

In response to the staff draft analysis the agency reiterated its support for the adequacy of its policies and procedures for initiating review of a institution/program when it is a subject of an adverse action by another recognized agency. The agency also provided a copy of a decision meeting agenda where it documents that the Committee is scheduled to review an action by a regional accreditor against one of its accredited institutions. The Department agrees that the agency's policies and procedures are sufficient to comply with this requirement. However, in order to be compliant with this section of the criteria, the agency must produce documentation demonstrating its application of its policy, such as providing a sample of a report submitted by the institution/program responding to the agency's requirement to describe the reasons for the actions by the other agency, and the impact the action has, if any on the program's ability to continue to meet the COA's standards of accreditation, or providing a sample letter from the Committee reflecting its decision after the review and evaluation of the report.

The agency does not meet the requirements of this section of the criteria. It must demonstrate application of its policy requirements under this section.

PART III: THIRD PARTY COMMENTS

The Department did not receive any written third-party comments regarding this agency.