

Draft I: Proposed Revisions to the *Handbook 2020-21*

NATIONAL ASSOCIATION OF SCHOOLS OF ART AND DESIGN

August 5, 2021

OFFICIAL NOTICE. This constitutes the official notice of proposed revisions to the *Handbook* forwarded in advance as required by the NASAD Bylaws and Code of Ethics.

Note: All proposed revisions are indicated in red.

Following the current comment period, a second proposal of these amendments will be presented to the NASAD membership in September for further review and comment.

VOTE SCHEDULED. A final text of these proposed revisions will be presented to the membership and Commission on Accreditation for a vote in October.

Rationales for these changes are provided at the end of the document on page 16.

COMMENT PERIOD I

August 5 – September 4, 2021

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Bylaws

— Action by the NASAD Membership —

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Bylaws

Article I., Membership

Section 2. Special Statutes

D. Automatic Suspension of Accreditation Status

Amend Article I., Section 2.D. as follows:

D. Automatic Suspension of Accreditation Status. This status can be applied only to independent institutions of higher education for which NASAD is the designated institutional accreditor. It cannot be applied to

institutions that (1) have designated as their institutional accrediting body, for the purpose of eligibility in Title IV programs, a regional or other national institutional accreditation agency, and (2) have been approved by that agency.

Automatic suspension of accreditation will occur under the following circumstances:

1. The filing of Chapter 11 or Chapter 7 bankruptcy proceedings by the institution.
2. A change in ownership or major change in control with less than five days' advance notice in writing to NASAD. This includes but is not limited to:
 - a. The sale of the institution or the majority of its assets.
 - b. **The transfer of the liabilities of an institution to its parent corporation.**
 - c. ~~b~~ The transfer of the controlling interest of stock in the institution or its parent corporation.
 - d. ~~c~~ The merger of two or more institutions.
 - e. ~~d~~ The division of one or more institution(s) into two or more institutions.
 - e. ~~The transfer of the controlling interest of stock in the institution to its parent corporation.~~
 - f. **Change in status as a for-profit, non-profit, or public institution.**
 - g. ~~f~~ Change in over seventy-five percent of board membership during a ninety-day period.
 - h. ~~g~~ The complete replacement of one set of board members of the accredited institution by another within a six-month period.
3. Failure to report to NASAD in writing any transfer of assets or liabilities between the institution and the parent corporation or other entity that would substantially alter the ability of the institution to (a) remain in compliance with current NASAD standards, or (b) provide information necessary to document current or on-going compliance with NASAD standards.
4. The establishment without prior notice of a branch campus or **similar other** entity offering degrees and programs eligible for accreditation by NASAD.
5. The designation of NASAD as the institution's gatekeeper for the purpose of eligibility and participation in federal Title IV programs without prior confirmation by the NASAD Commission on Accreditation of the institution's compliance with all applicable standards in Standards for Accreditation XXI.
6. Significant expansion of affiliative uses of the institution's name without prior notice to NASAD.

Following automatic suspension, accreditation may be reinstated only upon application to, and approval by the Commission on Accreditation. Because this suspension results without action or prior approval on the part of the Commission, this change in status does not constitute formal withdrawal of accreditation, and thus, is not an action that is subject to review of adverse decision or to appeal.

It is expected that institutions with automatic suspension status will regain their accredited status at the earliest feasible time, or resign from the Association. Failure to move expeditiously, or to establish an appropriate timeline for renewing accredited status, will result in revocation of Membership. Revocation of Membership is not automatic and must be approved by the Commission on Accreditation. Failure to move from suspended accreditation status to regular accreditation status within a period not to exceed the earlier of six months or the expiration of the institution's current accreditation period will cause the Commission on Accreditation to consider revocation of Membership.

When evidence concerning remediation of the reasons for automatic suspension is submitted and judged adequate by the Commission, reinstatement of accreditation is made, along with time and other stipulations for future reviews. If Commission action is not taken by the expiration of the previous grant of accreditation, the institution must then follow procedures for initiating accreditation.

Automatic suspension is an adverse action. Notice of automatic suspension is forwarded to the U.S. Secretary of Education, the appropriate state licensing or authorizing agency, and the appropriate accrediting agencies at the same time the institution is notified, and the public within one business day of notification to the institution. All such notices are provided no later than thirty (30) days after the date of Commission action. See Rules of Practice and Procedure, Part II., Article XI., Section 2.

Institutions with automatic suspension status are suspended as members of the Association and thus lose their voting rights during the suspension period.

Code of Ethics

— Action by the NASAD Membership —

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Code of Ethics

Article II., Student Recruitment

Amend Article II., Section 4. as follows:

Section 4. Students are free to attend the institutions of their choice. However, at an appropriate point in time, a mutual commitment in writing ~~may~~ **must** be made between students and institutions. ~~Any such mutual agreement~~ ~~At such a point, administrators, faculty members, students, and all other parties involved~~ **must** clearly state the nature of these commitments ~~and the obligations they may impose on administrators, faculty members, students, and all parties involved, as well as~~, the schedules for their implementation, the conditions under which such commitments may be released by any or all of the parties, and the institutional offices responsible for areas addressed in the commitment statement.

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Code of Ethics

Article IV., Transfer Students

Amend Article IV., Section 1. as follows:

Section 1. No member institution may ~~affirmatively actively~~ recruit a student presently enrolled in another institution, unless that student will complete the normal program of study for which he or she is enrolled prior to the time of transfer. It is ethical, of course, to accept for transfer a student who applies for and achieves admission to another institution of his or her own volition.

Rules of Practice and Procedure, Part II

— Action by the NASAD Commission on Accreditation —

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Rules of Practice and Procedure, Part II

Article IV., Commission Policies

Section 3. Commission Policy Concerning Continuous Deferrals

Amend Article IV., Section 3. as follows:

Section 3. Policy Concerning Commission Action and Timelines

A. Action. After the second consecutive request from the Commission for information sufficient to enable an accreditation decision, should an application of a member institution fail to indicate compliance with a specific standard, the Commission shall adopt one of the following motions upon third consideration of the application:

1. To require a response from the institution for the next Commission meeting demonstrating compliance with any standard cited;
2. To require a response from the institution for the next Commission meeting showing why the institution:
 - a. should not be placed on probation, or
 - b. should not have its membership revoked.
3. To place the institution on probation; or
4. To revoke membership.

NOTE: An institution placed on probation is reminded of the timelines pertaining to this sanction (see Bylaws, Article I., Section 2.C.) and to its responsibility to disclose the sanction to current and prospective students (see Rules of Practice and Procedure, Part II, Article XI., Section 2.B.).

NOTE: In extreme cases, the Commission may take immediate action to sever an institution's relationship with NASAD by revoking accreditation when it has been determined that such an action is warranted (see Rules of Practice and Procedure, Part II, Article IV., Section 5.B.2.b.).

B. Timelines

1. **Compliance.** Institutions are asked to demonstrate compliance at the earliest possible time and must demonstrate compliance as noted below:
 - a. When NASAD serves as a programmatic accrediting body, the total time period allotted for demonstrating compliance with a standard shall not exceed the lesser of four years or 150 percent of the length of the program.
 - b. When NASAD serves as an institutional accrediting body, the total time period allotted for demonstrating compliance with the standard shall not exceed the lesser of four years or 150 percent of the length of the longest program at the institution.
 - c. The Commission may extend the timeline for compliance for good cause.
 - d. If an institution or program is unable to come into compliance within the timelines outlined above, the Commission may take action to revoke the institution's membership.

2. Extenuating Circumstances. When an institution or program is working to address a circumstance beyond its control such as that precipitated by a national disaster or other catastrophic event which impacts an institution's or program's operations or significant and documented local or national economic changes, such as an economic recession, the institution must demonstrate compliance within three years unless the Commission extends this period of time for good cause. In addition, the institution must demonstrate that this period of non-compliance will not (a) contribute to the cost of the curricular program in question without prior student consent, (b) create any undue hardship on, or harm to, students, or (c) compromise the program's academic quality.

C. Good Cause. The Commission may grant an extension of time exceeding the applicable timelines noted above for good cause and as may be warranted. Good cause is defined as a concerted and comprehensive effort and activity on the part of the institution to maintain compliance with all relevant standards. Extensions for good cause are typically one year in length but may be extended for two years, should positive circumstances or developments at the institution warrant an additional year.

~~**Section 3. Commission Policy Concerning Continuous Deferrals.** After the second consecutive deferral of an application of a member institution for failure to meet a specific standard, the Commission on Accreditation shall adopt one of the following motions upon third consideration of the application:~~

~~A. To approve the application.~~

~~B. To approve the application with a request for a progress report.~~

~~C. To require a response for the next Commission meeting showing cause why the institution:~~

~~1. should not be placed on probation, or~~

~~2. should not have its membership revoked.~~

~~D. To place the institution on probation.~~

~~E. To revoke membership.~~

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Rules of Practice and Procedure, Part II

Article V., Substantive Change

Section 2. Definition

Amend Article V., Section 2. as follows:

Section 2. Definition. *Substantive change* includes, but is not limited to:

- A. Any fundamental change in the established mission, goals, or objectives of the institution or art/design unit.
- B. Any change in the legal status, form of control, or ownership of the institution.
- C. The acquisition of any other institution or any program or location of another institution.
- D. The addition or amendment of curricular programs that represent a significant departure, in terms of either the content or method of delivery, from those that were offered when NASAD most recently evaluated the institution. This provision includes significant changes made in conjunction with a change from quarter hours to semester hours or vice versa.
- E. The addition of courses or programs at a degree or credential level other than the curricular level(s) included in the institution's current accreditation.

- F. A change in the measurement of credit or time requirements (i.e., from quarter hours to semester hours or vice versa, from clock hours to credit hours or vice versa, etc.). *[Explanatory note: clock-hour systems measure course length in terms of the total number of hours devoted to face-to-face instruction. Credit-hour systems, on the other hand, assign numerical credit to courses based both on the number of instructional hours per week over a standard academic term (semester or quarter) and the amount of preparatory time per week that students must spend outside the classroom. For NASAD standards on computing credit hours, see Standards for Accreditation III.A.]*

Explanatory Note: Clock-hour systems measure course length in terms of the total number of hours devoted to face-to-face instruction. Credit-hour systems, on the other hand, assign numerical credit to courses based both on the number of instructional hours per week over a standard academic term (semester or quarter) and the amount of preparatory time per week that students must spend outside the classroom. For NASAD standards on computing credit hours, see Standards for Accreditation III.A.

- G. A substantial increase or decrease in:
1. The number of clock or credit hours awarded for successful completion of a program; or
 2. The length of a program.
- H. Starting a branch campus or ~~similar entity (such as an additional location, extension program, other external programs)~~ ~~extension program~~ at which the institution offers at least fifty percent of any educational program in art and/or design, regardless of how many such campuses or ~~similar entities~~ ~~extension programs~~ have been approved previously by NASAD.

NOTE: The agency's review will include an assessment of the institution's fiscal and administrative capability to operate the location or branch campus, the regular evaluations of locations, and verification that (1) academic control is clearly identified by the institution; (2) the institution has adequate faculty, facilities, resources, and academic and student support systems in place; (3) the institution is financially stable; and (4) the institution has engaged in long-range planning for the expansion.

- I. Participation in an agreement to teach-out students from an institution or program that is closing. (Institutions to which Standards for Accreditation XXI.1.J. pertain must review and demonstrate compliance with Standards for Accreditation XXI.1.J.)
- J. 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 of the students ~~previously enrolled at the closed institution~~ have completed their programs of study.
- K. If NASAD accreditation enables the institution to seek eligibility to participate in Title IV Higher Education Act (HEA) programs, the entering into ~~written arrangement a contract~~ under which an institution or organization not approved to participate in Title IV Higher Education Act (HEA) programs offers more than twenty-five percent of one or more of the NASAD accredited institution's educational programs.
- L. An institution's designation of NASAD as its gatekeeper for the purpose of eligibility for participation in federal Title IV programs, irrespective of whether:
1. The institution is accredited as a single-purpose institution by NASAD and does not currently participate in Title IV programs, but plans to apply for participation in federal Title IV; or
 2. The institution is accredited as a single-purpose institution by NASAD and ~~another Secretary-recognized a regional or other national~~ institutional accrediting agency, has designated the ~~regional or other national~~ institutional accrediting agency as its gatekeeper for the purpose of eligibility for federal Title IV participation, and plans to relinquish such ~~regional or other national~~ institutional accreditation entirely; or

3. The institution is accredited as a single-purpose institution by NASAD and ~~another Secretary-recognized a-regional or other national~~ institutional accrediting agency, has designated the ~~regional or other national~~ institutional accrediting agency as its gatekeeper for the purpose of eligibility for federal Title IV participation, and plans to retain the ~~regional or other national~~ institutional accreditation and relinquish the connection between that accreditation and Title IV participation.

M. The addition of a direct assessment program.

N. ~~M.~~ Other major changes that would impact continuing compliance with NASAD standards applicable to degrees and programs being offered.

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Rules of Practice and Procedure, Part II

Article XI., Publication of Accreditation Actions by NASAD

Amend Article XI., Section 2. as follows:

Section 2.

- A. NASAD provides written notice of the following types of decisions to the public, appropriate accrediting agencies, the appropriate state licensing or authorizing agency, and the U.S. Secretary of Education no later than thirty days after it makes the decision:
 1. To award initial accreditation to an institution or program.
 2. To renew an institution's or program's accreditation.
- B. NASAD provides written notice of the following types of decisions to the appropriate accrediting agencies, the appropriate state licensing or authorizing agency, and the U.S. Secretary of Education at the same time it notifies the institution or program of the decision, but no later than thirty days after it makes a final decision:
 1. To place an institution or program on probation.
 2. To initiate adverse action.
 3. ~~2.~~ To deny, withdraw, suspend, or revoke the accreditation of an institution or program.
 4. To take any other adverse action.

NOTE: Institutions under any of the sanctions noted above must disclose the sanction to current and prospective students within seven business days of receipt of notice.

- C. NASAD provides written notice to the public of the decisions listed in the Rules of Practice and Procedure, Part II, Article XI., Section 2.B.1.-4.1. and 2. within ~~one business day~~ ~~twenty-four hours~~ of its notice to the institution or program.
- D. For any reason listed in the Rules of Practice and Procedure, Part II, Article XI., Section 2.B.3.-4.2., NASAD makes available to the public, the appropriate state licensing or authorizing agency, and the U.S. Secretary of Education, no later than sixty days after the decision, a brief statement summarizing the reasons for NASAD'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 did not choose to do so in the time stipulated.

- E. NASAD notifies the appropriate accrediting agencies, the appropriate state licensing or authorizing agency, the U.S. Secretary of Education, and upon request, the public, if an accredited institution or program:
1. Decides to withdraw voluntarily from accreditation, within **ten thirty** days of receiving notification from the institution or program that it is withdrawing voluntarily from accreditation; or
 2. After due notice from the Commission stipulating one or more deadlines, allows its accreditation to lapse, within **ten thirty** days of the date on which accreditation lapses.

Standards for Accreditation

— Action by the NASAD Membership —

NASAD Handbook 2020-21—Pages 73–74

Standards for Accreditation

II. Purposes and Operations

O. Operational Standards and Procedures for Branch Campuses, External Programs

Amend II.O. as follows:

- O. Operational Standards and Procedures for Branch Campuses and Similar Entities, ~~External Programs~~.** Additional operational standards that apply to branch campuses, **additional locations**, extension programs, and other external programs may be found in Appendix I.A. All institutions to which these standards apply must demonstrate compliance with all applicable standards in Appendix I.A.

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Standards for Accreditation

III. Art and Design Program Components

H. Distance Learning

1. Definition

Amend III.H.1. as follows:

1. **Definition.** Distance learning involves programs of study delivered entirely or partially away from regular face-to-face interactions between teachers and students in studios, classrooms, tutorials, and laboratories associated with coursework, degrees, and programs on the campus. Normally, distance learning uses technologies to deliver instruction and support systems, and enable substantive interaction between instructor and student. **Technologies include, but are not limited to:**
 - a. The Internet;
 - b. One- and/or two-way transmission through open broadcast, closed circuit, cable, microwave, broadband lines, fiber optics, or wireless communications devices;
 - c. Audio conferencing; or
 - d. Video cassettes, DVDs, and CD-ROMs, if the cassettes, DVDs, or CD-ROMs are used in a course in conjunction with any of the technologies listed in a.-c. above.

Standards for Accreditation

XXI. Specific Operational Standards for All Institutions of Higher Education for which NASAD is the Designated Institutional Accreditor

Section 1. Standards for Accreditation

K. Teach-Out Plans and Agreements

Amend XXI., Section 1.K. as follows:

K. Teach-Out Plans and Agreements

1. Definitions

- a. *Teach-out* means a process during which a program, institution, or institutional location that provides 100 percent of at least one program engages in an orderly closure or when, following the closure of an institution or campus, another institution provides an opportunity for the students of the closed school to complete their program, regardless of their academic progress at the time of closure.
- b. *Teach-out plan* means a written plan developed by an institution that provides for the equitable treatment of students if an institution, or an institutional location that provides 100 percent of at least one program, ceases to operate or plans to cease operations before all enrolled students have completed their program of study.
- c. *Teach-out agreement* means a written agreement between institutions that provides for the equitable treatment of students and a reasonable opportunity for students to complete their program of study if an institution, or an institutional location that provides 100 percent of at least one program offered, ceases to operate or plans to cease operations before all enrolled students have completed their program of study.
- ~~a. *Teach-out agreement* means a written agreement between accredited institutions that provides for the equitable treatment of students under certain conditions when an institution [or program] is closing.~~
- ~~b. *Teach-out plan* means a written plan developed by an institution that provides for equitable treatment of students under certain conditions when an institution [or program] is closing.~~

2. Conditions of Applicability

- a. NASAD requires an accredited institution to which Standards for Accreditation XXI. apply to submit a teach-out plan requesting Commission review and action upon the occurrence of any of the following events:
 - 1. The U.S. Secretary of Education notifies NASAD:
 - i. of a determination by the institution’s independent auditor expressing doubt about the institution’s ability to operate as a going concern or indicating an adverse opinion or a finding of material weakness related to financial stability;
 - ii. that the institution is participating in Title IV, HEA programs under a provisional program participation agreement and the Secretary has required a teach-out plan as a condition of participation.
 - 2. NASAD acts to place the institution on probation or an equivalent status.
- b. NASAD requires an accredited institution to which Standards for Accreditation XXI. apply to submit a teach-out plan and, if practicable, teach-out agreements requesting Commission review and action

upon the occurrence of any of the following events:

1. The U.S. Secretary of Education notifies NASAD that:
 - i. it has placed the institution on the reimbursement payment method under 34 CFR 668.162(c) or the heightened cash monitoring payment method requiring the Secretary's review of the institution's supporting documentation under 34 CFR 668.162(d)(2);
 - ii. the Secretary has initiated an emergency action against an institution, in accordance with section 487(c)(1)(G) of the Higher Education Act (HEA), or an action to limit, suspend, or terminate an institution participating in any Title IV, Higher Education Act (HEA) program, in accordance with section 487(c)(1)(F) of the Higher Education Act (HEA).
2. NASAD acts to withdraw, revoke, or suspend the accreditation of the institution.
3. The institution notifies NASAD that it intends to cease operations entirely or close a location that provides one hundred percent of at least one program.
4. A state licensing or authorizing agency notifies NASAD that an institution's license or legal authorization to provide an educational program has been or will be revoked.
5. The institution stops offering an educational program before all students enrolled in that program complete the program or transfer to another program.

~~NASAD requires an accredited institution to which Standards for Accreditation XXI apply to submit a teach-out plan requesting Commission review and action upon the occurrence of any of the following events:~~

- ~~a. The U.S. Secretary of Education notifies NASAD that the Secretary has initiated an emergency action against an institution, in accordance with section 487(c)(1)(G) of the Higher Education Act (HEA), or an action to limit, suspend, or terminate an institution participating in any Title IV Higher Education Act (HEA) program, in accordance with section 487(c)(1)(F) of the Higher Education Act (HEA), and that a teach-out plan is required.~~
- ~~b. NASAD acts to withdraw, revoke, or suspend the accreditation of the institution.~~
- ~~c. The institution notifies NASAD that it intends to cease operations entirely or close a location that provides one hundred percent of at least one program.~~
- ~~d. A state licensing or authorizing agency notifies NASAD that an institution's license or legal authorization to provide an educational program has been or will be revoked.~~
- ~~e. The institution stops offering an educational program before all students enrolled in that program complete the program or transfer to another program.~~

3. NASAD Actions

If one or more conditions stipulated in Standards for Accreditation XXI., Section 1.K.2.a.1.-2. or K.2.b.1.-5. occurs:

- a. NASAD will evaluate the teach-out plan to ensure it includes a list of currently enrolled students, academic programs offered by the institution, and the names of other institutions that offer similar programs and that could potentially enter into a teach-out agreement with the institution.
- b. If NASAD approves a teach-out plan that includes a program or an institution that is accredited by another recognized accrediting agency, NASAD will notify that accrediting agency of its approval.

- c. NASAD may require an institution it accredits to enter into a teach-out agreement as part of its teach-out plan.
- d. NASAD will require a closing institution to include the following information in its teach-out agreement:
 1. A complete list of students currently enrolled in each program at the institution and the program requirement each student has completed.
 2. A plan to provide all potentially eligible students with information about how to obtain a closed school's discharge and, if applicable, information on state refund policies.
 3. A records retention plan to be provided to all enrolled students that delineates the final disposition of teach-out records (i.e., student transcripts, billing, financial aid records).
 4. Information on the number and types of credits the teach-out institution is willing to accept prior to the student's enrollment.
 5. A clear statement to students of the tuition and fees of the educational program and the number of and types of credits that will be accepted by the teach-out institution.
- e. NASAD will require an institution it accredits that enters into a teach-out agreement, either on its own or at the request of NASAD, with another institution to submit that teach-out agreement to NASAD for review (see Rules of Practice and Procedure, Part II, Article V.). NASAD will review and take positive action on the teach-out agreement only if the agreement meets the requirements of 34 CFR 600.2 and 602.24; is consistent with all applicable NASAD standards, the NASAD Code of Ethics, and the NASAD Rules of Practice and Procedure; applicable federal and state regulations; and provides for the equitable treatment of students being served.

~~If one or more conditions stipulated in Standards for Accreditation XXI., Section 1.J.1.a.–e. occurs:~~

- ~~a. NASAD will evaluate the teach-out plan to ensure it provides for the equitable treatment of students under criteria established by NASAD, specifies additional charges, if any, and provides for notification to the students of any additional charges.~~
- ~~b. If NASAD approves a teach-out plan that includes a program that is accredited by another recognized accrediting agency, it will notify that accrediting agency of NASAD's approval.~~
- ~~c. NASAD may require an institution it accredits to enter into a teach-out agreement as part of its teach-out plan.~~
- ~~d. NASAD will require an institution it accredits that enters into a teach-out agreement, either on its own or at the request of NASAD, with another institution to submit that teach-out agreement to NASAD for approval (see Rules of Practice and Procedure, Part II, Article V.). NASAD will review and take positive action on the teach-out agreement only if the agreement is between institutions that are accredited by NASAD or another accrediting agency recognized by the U.S. Secretary of Education; is consistent with all applicable NASAD standards, the Code of Ethics, and the Rules of Practice and Procedure, as well as applicable federal and state regulations; and provides for the equitable treatment of students in terms outlined in Standards for Accreditation XIX., Section 1.J.3.~~
- ~~e. If an NASAD-accredited institution plans to establish a teach-out agreement with another institution, the agreement must receive approval from the NASAD Commission on Accreditation prior to ratification of the agreement by the parties.~~

4. Review Criteria

The institution responsible for teaching-out students must:

- a. have the necessary experience, resources, and support services to provide an educational program that is of acceptable quality and reasonably similar in content, delivery modality, and scheduling to that provided by the institution that is ceasing operations either entirely or at one of the locations; however, while an option via an alternate method of delivery may be made available to students, such an option is not sufficient unless an option via the same method of delivery as the original educational program is also provided;
- b. have the capacity to carry out its mission and meet all obligations to existing students;
- c. demonstrate that it:
 - i. can provide students access to the program and services without requiring them to move, or travel for substantial distances or durations; and
 - ii. will provide students with information about additional charges, if any; and
- d. provide to NASAD copies of all notifications from the institution related to the institution's closure or teach-out options to ensure the information accurately represents all conditions and requirements including those pertaining to the ability of students to transfer credits.

NOTE: Irrespective of any teach-out plan or signed teach-out agreement, an institution may not serve as a teach-out institution if the institution is (1) subject to XXI., Section 1.K.2.a.1.-2.; or (2) under investigation, subject to an action, or being prosecuted for an issue related to academic quality, misrepresentation, fraud, or other severe matters by a law enforcement agency.

- ~~a. The institution responsible for teaching-out students must have the necessary experience, resources, and support services to:~~
- ~~(1) Provide an educational program that is of acceptable quality and substantially similar in function, content, structure, and scheduling to that provided by the institution that is ceasing operations either entirely or at one of its locations; and~~
- ~~(2) Remain stable, carry out its mission, and meet all obligations to existing students.~~
- ~~b. The institution responsible for the teach-out must demonstrate that it can provide students access to the program and services without requiring them to move or travel substantial distances and that it will provide students with information about additional charges, if any.~~

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Standards for Accreditation

XXI. Specific Operational Standards for All Institutions of Higher Education for which NASAD is the Designated Institutional Accreditor

Section 2. Procedural Requirements

E. Starting a Branch Campus or Similar Entity

Amend XXI., Section 2.E. as follows:

E. Starting a Branch Campus or Similar Entity

1. If an accredited institution plans to establish a new branch campus, or similar entity that functions in the same manner, in the United States or elsewhere, that offers postsecondary and/or professional-level degrees or non-degree-granting programs in the visual arts/design, the following materials must be

submitted at least six months prior to the opening of the branch/similar entity:

- a. A business plan. At minimum, the business plan must contain a complete description of:
 - (1) The educational program to be offered at the branch campus/similar entity.
 - (2) The projected revenues and expenditures and cash flow at the branch campus/similar entity.
 - (3) The operation, management, and physical resources at the branch campus/similar entity.At the same time, the institution must provide:
 - (4) Information showing the financial relationship of the branch/similar entity to the main campus.
 - (5) The most recent audited financial statement of the institution.
 - b. Information in the standard NASAD format which demonstrates compliance with all applicable standards including, but not limited to operational standards, applicable curricular standards, Standards for Institutions of Higher Education for which NASAD is the Designated Institutional Accreditor, and Specific Operational Standards for Proprietary Institutions of Higher Education.
2. Within six months of the opening of a branch campus or similar entity, the branch/similar entity must schedule a visit and host a team of NASAD visiting evaluators.
 3. Approval of the branch campus or similar entity and its operations will depend upon the institution's demonstration that it meets requisite NASAD standards applicable to the programs it offers and the operations that support those programs.

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Standards for Accreditation

XXI. Specific Operational Standards for All Institutions of Higher Education for which NASAD is the Designated Institutional Accreditor

Section 2. Procedural Requirements

F. Automatic Actions

1. Automatic Review

Amend XXI., Section 2.F.1.d. as follows:

- d. Notice to establish a branch campus or similar ~~other~~ entity that would offer degrees and programs eligible for review by NASAD, or notice of intent to significantly expand affiliative uses of the institution's name.

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Standards for Accreditation

XXII. Specific Operational Standards for Proprietary Institutions of Higher Education

Add XXII., Section 3. as follows:

Section 3. Policies and Protocols for Proprietary Institutions of Higher Education

Arbitration Rule. The institution shall provide in writing its agreement to abide by the initial arbitration rule in 20 USC § 1099b(e):

“The [U.S.] Secretary [of Education] may not recognize the accreditation of any institution of higher education unless that institution of higher education agrees to submit any dispute involving the final denial, withdrawal or termination of accreditation to initial arbitration prior to any other legal action.”

Appendix I.A.

— Action by the NASAD Membership —

NASAD Handbook 2020-21—Pages 165–166

Appendix I.A., Standards and Guidelines Pertaining to Branch Campuses and External Programs

Amend Appendix I.A. as follows:

APPENDIX I.A.

STANDARDS AND GUIDELINES PERTAINING TO BRANCH CAMPUSES AND ~~SIMILAR ENTITIES EXTERNAL PROGRAMS~~ (such as additional locations, extension programs, and other external programs)

Section 1. Standards

- A. The institution shall protect the use of its name and by doing so, protect the integrity of its accredited status.
- B. Branch campuses/~~similar entities~~ must have and advertise the same name as the main campus, and must be identified in the catalog or catalog supplement and in other publications of the main campus.
- C. It is not necessary for the branch ~~campus/similar entity~~ to offer all of the programs that are offered at the main campus; however, the catalog of the main campus must clearly identify the programs offered only at the branch campus/~~similar entity~~.
- D. Extension ~~and other external~~ programs may be affiliated with either the main campus or branch campus, and, as appropriate, must be identified in the catalog of either the main or the branch campus.
- E. The institution must ensure that all branch campus, extension, or similar ~~entity~~ activities:
 - 1. Are considered integral parts of the institution as a whole;
 - 2. Maintain the same academic standards as courses and programs offered on the main campus; and
 - 3. Receive sufficient support for instructional and other needs.
- F. Students involved in branch ~~campus or similar entity or extension~~ programs must have convenient access to all necessary learning resources.
- G. The institution must maintain direct and sole responsibility for the academic quality of all aspects of all programs and must ensure adequate resources.
- H. If programs or courses use ~~special~~ instructional delivery systems such as computers, television, videotape, or audiotape, appropriate opportunities must be provided for students to question and discuss course content with faculty.
- I. The nature and purpose of any use of the institution's name must be clearly and accurately stated and published.
- J. Institutions must keep NASAD informed of discussions and actions leading to the establishment of branch campuses or ~~similar entities extensions~~ or to any expanded affiliative uses of the institution's name when art/design programs for majors or professionals are involved.
- K. Accreditation in art/design does not automatically transfer when a branch campus ~~or similar entity~~ becomes independent ~~or if an extension facility becomes a branch campus~~.

Section 2. Guidelines

- A. Various terminologies are used to describe affiliated ~~relationships entities~~ and activities. The terminology used in Section 1. designates functions and organizational structures. NASAD policies and standards are applied according to these functions and organizational structures, irrespective of the terminology used to designate them.
- B. A branch campus is typically considered an additional location of an institution that is geographically apart from and independent of the main campus and typically:
1. is permanent in nature;
 2. offers courses in educational programs leading to a degree, certificate, or other recognized educational credential;
 3. has its own faculty and administrative or supervisory organization; and
 4. has its own budgetary and hiring authority.

~~A branch campus is normally considered 1) a separate institution within the same corporate structure as the main campus, and 2) geographically apart from the main campus.~~

- C. An additional location is typically considered a facility geographically apart from the main campus of the institution at which the institution offers at least 50 percent of a program and may qualify as a branch campus. ~~A branch normally offers a complete program leading to an academic credential or provides community-education services, and has a significant amount of local responsibility for administrative control and academic affairs.~~

~~D. The branch may publish its own catalog.~~

- D. ~~E.~~ An extension ordinarily does not offer a complete program of study leading to an academic credential. Extension activities may include courses in programs offered for credit off-campus or through continuing education, evening, or weekend divisions.

- E. ~~F.~~ In extension and similar services, on-campus faculty have a substantive role in the design and implementation of programs.

Appendix III.G.

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Appendix III.G., Commission Time Guidelines for Interpreting the Continuous Deferral Policy

Amend Appendix III.G. as follows: (Note: Information in this section has been amended and placed within the Rules of Practice and Procedure, Part II, Article IV., Section 3. as noted above.)

~~APPENDIX III.G.~~

~~COMMISSION TIME GUIDELINES FOR INTERPRETING THE CONTINUOUS DEFERRAL POLICY~~

~~(Rules of Practice and Procedure, Part II, Article IV., Section 3.)~~

~~Normally, the total time period for demonstrating compliance with required standards shall not exceed:~~

- ~~A. Twelve months, if the program, or the longest program offered by the institution, is less than one year in-~~

~~length.~~

~~B.—Eighteen months, if the program, or the longest program offered by the institution, is at least one year, but less than two years, in length.~~

~~C.—Two years, if the program, or the longest program offered by the institution, is at least two years in length.~~

~~If the institution or program does not bring itself into compliance within the specified period, the Commission must take adverse action unless the Commission extends the period for achieving compliance for good cause. *Good cause* is defined as concerted and comprehensive effort and activity on the part of the institution to maintain compliance with all relevant standards. Extensions for good cause are typically one year in length but may be extended to two years, should positive circumstances or developments at the institution warrant an additional year.~~

NOTE: Rationale for Changes

The rationale for all changes noted above are as follows:

1. With regard to the Code of Ethics, to address concerns held by the Department of Justice as it pertains to the Final Judgment issued by DOJ against the National Association of College Admission Counseling (NACAC).
2. With regard to all else, to align NASAD standards and guidelines with the newly modified provisions of Parts 600 and 602 of the Code of Federal Regulations, Title 34 Education as published in the Federal Register November 1, 2019.