

**Report from the Distance Learning and Educational Innovation Subcommittee  
on proposed preaccreditation regulations in Section 602.23**

In review of the Subcommittee recommendation and proposed definition for “Preaccreditation” during the Accreditation and Innovation Committee meeting in February, the Committee suggested the separation of the elements related to proposed procedures an agency must have related to preaccredited institutions or programs from the proposed definition. The Committee also has specific comments on section (3) of the proposed procedures that it directed the subcommittee to address, related to the following issues:

- Does the use of “may” give agencies enough latitude as to when to provide such an extension?
- How to provide better guidance on the length of time of such an extension? The use of “until” seemed problematic and not specific enough.
- Add a limit of an extension to currently enrolled students.
- How does this apply to an institution or program that was not closing after the loss of preaccreditation?
- Can the closing institution serve as the teach-out institution?

- The Subcommittee forwards the following proposed regulations related to preaccreditation from Section 602.23 to the Accreditation and Innovation Committee with support and with the comments noted below:

(f) If offered, the agency’s preaccreditation policies and procedures must include the following:

(1) An agency’s preaccreditation standards should predict success for an institution or program seeking accreditation.

(2) All credits and degrees earned and issued by an institution or program holding preaccreditation from a nationally recognized agency are considered by the Secretary to be from an accredited institution or program;

(3) All institutions holding preaccreditation must have a teach-out plan in place, and that plan meets requirements for professional licensure, if applicable.

(4) If an agency denies accreditation to an institution it has preaccredited, the agency may maintain the institution’s preaccreditation for currently enrolled students until the institution has had a reasonable time to complete the activities in its teach-out plan to assist students in transferring or completing their program(s) but for no more than 120 days unless approved by the agency for good cause; and

(5) An accredited institution or program cannot be moved from accredited to preaccredited status unless, following the loss of accreditation, the institution or program applies for initial accreditation and is awarded preaccreditation status under the new application. Institutions that participated in the Title IV, HEA programs before the loss of accreditation are subject to the requirements of 34 CFR 600.11(c).

*Comments by the Subcommittee include:*

- The suggestion that (2) should be moved to another section. The Department does not see that it needs to be moved to have the same effect.*
- The inclusion of a teach-out agreement versus teach-out plan in (3). The Department believes it is not feasible for an institution to have a teach-out agreement in place as that is a contract with the other institution. The execution of a teach-out agreement would only occur once an institution was to close. Some subcommittee members supported the use of teach-out plan while others supported teach-out agreement.*
- The conflict between providing too much or not enough time to implement a teach-out agreement. The Subcommittee included language to attempt to address this concern and to align with similar allowances in proposed 34 CFR 600.41 related to schools that cease participation in the title IV, HEA programs. Since the Subcommittee's discussion, the Department has moved those proposed provisions to 34 CFR 668.26.*