

CONTRACTUAL RELATIONSHIPS WITH NON-REGIONALLY ACCREDITED ORGANIZATIONS

No postsecondary educational institution accredited by the New England Association of Schools and Colleges can lend the prestige or authority of its accreditation to authenticate courses or programs offered under contract with organizations not so accredited unless it demonstrates adherence to the following principles:

- The primary purpose of offering such a course or program is educational. (Although the primary purpose of the offering must be educational, what ancillary purposes also provide the foundation for the program or course such as auxiliary services, anticipated income and public relations?)
- Any course offered must be consistent with the institution's educational purpose and objectives as they were at the time of the last evaluation. If the institution alters its purpose and objectives, the Commission must be notified and the policy on substantive change applied. (How does the institution define the specific relationship between the primary and ancillary purposes and the contracted service, and how does it demonstrate its capability to attain these purposes?)
- Courses to be offered and the value and level of their credit must be determined in accordance with established institutional procedures and under the usual mechanisms of review. (What evidence exists that established institutional procedures have been followed?)
- Courses offered for credit must remain under the sole and direct control of the sponsoring accredited institution, which exercises ultimate and continuing responsibility for the performance of these functions as reflected in the contract, with provisions to assure that conduct of the courses meets the standards of its regular programs as disclosed fully in the institution's publications, especially as these pertain to
 - recruitment and counseling of students
 - admission of students to courses and/or to the sponsoring institution where credit programs are pursued
 - instructions in the courses
 - evaluation of student progress
 - record keeping
 - tuition and/or fees charged, receipt and disbursement of funds and refund policy

- appointment and validation of credentials of faculty teaching the course
- nature and location of courses
- instructional resources, such as the library

Additional data needed would include course outlines, syllabi, copies of exams, records of students and evidence of equivalencies with established programs.

GUIDELINES

In establishing contractual arrangements with non-regionally accredited organizations, institutions are expected to utilize the following guidelines. The non-profit institution should establish that its tax-exempt status as governed by the state or federal regulations will not be affected by such contractual arrangements with a for-profit organization.

THE CONTRACT

Guidelines for the contract should include the following:

- The contract should be executed only by duly designated officers of the institution and their counterparts in the contracting organization. While other faculty and administrative representatives will undoubtedly be involved in the contract negotiations, care should be taken to avoid implied or apparent power to execute the contract by unauthorized personnel.
- The contract should establish a definite understanding between the institution and contractor regarding the work to be performed, the period of the agreement, and the conditions under which any possible renewal or renegotiation of the contract would take place.
- The contract should clearly vest the ultimate responsibility for the performance of the necessary control functions for the educational offering with the accredited institution granting credit for the offering. Such responsibility by the credit-granting institution would minimally consist of adequate provisions for review and approval of work performed in each functional area by the contractor.
- The contract should clearly establish the responsibilities of the institution and contractor regarding
 - indirect costs
 - approval of salaries
 - equipment
 - subcontracts and travel
 - property ownership and accountability

- inventions and patents
- publications and copyrights
- accounting records and audits
- security
- termination costs
- tuition refund
- student records
- faculty facilities
- safety regulations
- insurance coverage

ENROLLMENT AGREEMENT

The enrollment agreement should clearly outline the obligations of both the institution and the student, and a copy of the enrollment agreement should be furnished to the student before any payment is made.

The institution should determine that each applicant is fully informed as to the nature of the obligation he is entering into and as to his responsibilities and his rights under the enrollment agreement before he signs it.

No enrollment agreement should be binding until it has been accepted by the authorities of the institution vested with this responsibility.

TUITION POLICIES (RATES)

The total tuition for any specific given course should be the same for all persons at any given time. Group training contracts showing lower individual rates may be negotiated with business, industrial, or governmental agencies.

Tuition charges in courses should be bona fide, effective on specific dates and applicable to all those who enroll thereafter or are presently in school provided the enrollment agreement so stipulates.

All extra charges and costs incidental to training should be revealed to the prospective student before the student is enrolled.

The institution should show that the total tuition charges for each of its courses is reasonable in light of the service to be rendered, the equipment to be furnished, and its operating costs.

REFUNDS AND CANCELLATIONS

The institution should have a fair and equitable tuition refund and cancellation policy.

The institution should publish its tuition refund and cancellation policy in its catalog or other appropriate literature.

COLLECTION PRACTICES

Methods used by an institution in requesting or demanding payment should follow sound ethical business practices.

If promissory notes or contracts for tuition are sold or discounted to third parties by the institution, enrollees or their financial sponsors should be aware of this action.

ADVERTISING AND PROMOTIONAL LITERATURE (STUDENT RECRUITMENT)

All advertisements and promotional literature used should be truthful and avoid leaving any false, misleading or exaggerated impressions with respect to the school, its personnel, its courses and services, or the occupational opportunities for its graduates.

All advertising and promotional literature used should clearly indicate that education, and not employment, is being offered.

All advertising and promotional literature should include the correct name of the school. So-called “blind” advertisements are misleading and unethical.

FIELD AGENTS

An institution is responsible to its current and prospective students for the representations made by its field representatives (including agencies and other authorized persons or firms soliciting students), and, therefore, should select each of them with the utmost care, provide them with adequate training, and arrange for proper supervision of their work.

It is the responsibility of an institution to conform to the laws and regulations of each of the states or countries in which it operates or solicits students. In particular, the institution must ensure that each of its field representatives working in those states or countries is properly licensed or registered as required by the applicable laws or regulations.

If field representatives are authorized to collect money from an applicant for enrollment, they should leave with the applicant a receipt for the money collected and a copy of the enrollment agreement.

No field representative should use any title, such as “counselor,” “advisor,” or “registrar,” that tends to indicate that his duties and responsibilities are other than they actually are.

No field agent should violate orally any of the standards applicable to advertising and promotional material.