

NACCAS Rules of Practice & Procedure
January 2014

Part 5 – Monitoring

Sub-Part A – Annual Reports

Section 5.0 **Annual Report**

- (a) Every year, each school holding accreditation status shall submit an annual report on forms and in the manner required by the Commission. The report and required documents must be received in the NACCAS office no later than the due date. Failure to submit a complete Annual Report by the due date may result in the withdrawal of the school's accreditation and in late fees as determined in [Appendix #2](#) (see page 134) of these *Rules*.
- (b) NACCAS shall verify information provided on the annual reports using various methods, which shall include, but not be limited to,
 - (1) Verification during on-site evaluations,
 - (2) Verification of institutions that are being monitored for low outcomes.

The information each NACCAS-accredited institution provides on the annual report submitted to NACCAS is used to calculate outcome rates for the institution. The formulas used to calculate rates are shown in the annual report worksheet on NACCAS' website, <http://naccas.org>.

- (c) Institutions with one or more outcomes (completion, placement, licensure) below NACCAS minimum threshold, based on the annual reports due most recently, shall be required to comply with monitoring (see Section 5.0(d) below).
- (d) Monitoring: Depending on the number of years the institution has had a low outcome, and in accordance with [Section 8.18](#) (see page 116) of these *Rules*, the Commission may monitor the institution through a process including requiring the institution to undertake one or more of the elements listed below:
 - (1) Participate in training on strategies for improving outcomes and reporting;
 - (2) Submit a preliminary annual report with back-up documentation;
 - (3) Conduct a student retention study;
 - (4) Submit a plan for improvement and/or supplement to a plan for improvement;
 - (5) Undergo a consultation visit.
- (e) If the plan for improvement is inadequate, the Executive Director and/or Commission may order additional information or actions by the institution, including a special on-site visit to provide technical assistance for institutions preparing and/or implementing a plan for improvement or to evaluate the effectiveness of a plan and its implementation.
- (f) Monitoring Enrollment Growth. Each accredited institution shall provide the Commission with aggregate enrollment data on an annual basis. The Commission shall require the submission of such additional reports or data as it may determine is required to

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effectively monitor any institution experiencing significant enrollment growth, as defined and published by the Commission.

Sub-Part B – Financial Monitoring

Section 5.1 Financial Statements

- (a) Institutions must submit financial statements that comply with NACCAS' [Standard VII, Criterion 2c-d](#) (see page 16) Financial Practices and Management.
- (1) An institution that applies for initial accreditation must submit a financial statement for its most recently completed fiscal year at the same time the application is submitted.
 - (2) Accredited institutions must submit their financial statements within six months following the end of each institution's fiscal year.
- (b) In any accreditation process, the Commission may request the institution's most recent financial statements, or partial-year statement, to determine compliance with NACCAS' [Standard VII](#) (see page 16), financial practices and management.

Sub-Part C – Monitoring of Government Actions

Section 5.2 Information from the U.S. Department of Education or Other Government Entities

Information received from the U.S. Department of Education or other government agencies shall be reviewed by a designated committee of the Commission and where it suggests any possible area of noncompliance with accreditation standards or other requirements, the Committee shall initiate a process in any of the ways listed in [Section 8.16](#) (see page 114) of these *Rules*.

Sub-Part D – Special Reports

Section 5.3 Special Report

- (a) Each accredited school and each applicant for initial accreditation must notify NACCAS in writing of any material event that may jeopardize its continued operation as a licensed accredited school within ten (10) calendar days of the events' occurrence.

Material events necessitating such reports include the following:

- (1) Filings of petitions for bankruptcy;
- (2) Destruction of the school or a significant part of its facilities;
- (3) Limitation, suspension or revocation of a school's license or right to operate;
- (4) Cessation of teaching;

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- (5) Any show cause order, imposition of probationary status, denial or withdrawal of accreditation by another accrediting agency;
- (6) Voluntary relinquishment of accreditation received from another accrediting agency;
- (7) Any criminal or civil action filed by a state (including state-supported legal assistance agencies) or federal authorities against the institution, its officers or employees;
- (8) Any final action against the school to limit, suspend or terminate student loan guarantees or participation in external programs by a guaranty agency or the United States Department of Education;
- (9) Any determination, in accordance with requirements of the United States Department of Education, that the institution is not meeting the Department's requirements;
- (10) Any qualified or adverse statement, or statement related to an institution's status as an "ongoing concern" included on an audited financial statement.

Such report shall fully set forth the circumstances of such material event and shall append copies of any document or information to the Commission that is relevant to the material event. Such reports shall be submitted to the Executive Director of NACCAS.

- (b) Special reports required by [Section 5.3\(a\)](#) (see page 92) shall be supplemental to, and not in lieu of, any other report or filing that may be required by these *Rules of Practice and Procedure*.

Sub-Part E – Committee and Commission Action on Monitoring Processes

Section 5.4 Committee and Commission Action

- (a) A designated Committee may initiate a monitoring process and bring an institution before the Commission in any of the ways set out in [Section 8.16](#) (see page 114) of these *Rules*.
- (b) The full Commission shall take appropriate action under [Part 8](#) (see page 105) of the *Rules*.