

AMENDMENT TO RULES SECTION 1.2 AND GLOSSARY

Section 1.2 Institutional General Eligibility Requirements

- (a) **Disqualified Owner. An institution shall not be granted accredited status if a Controlling Voting Interest in the institution is owned or controlled, directly or indirectly, by Disqualified Owners.**

GLOSSARY

Disqualifying Events – (1) Final withdrawal of accreditation (all appeal rights exhausted) and (2) voluntary relinquishment while in withdrawal.

Disqualified Institution – An institution that has undergone two (2) Disqualifying Events in any five (5) year period.

Disqualified Owner – If an institution becomes a Disqualified Institution, then each of the following persons or entities shall be a Disqualified Owner if that person or entity met the applicable description below at the time of both of the Disqualifying Events that caused the institution to become a Disqualified Institution:

1. **If the Disqualified Institution has no Controlling Owner, then each person who owns or Controls at least 25% of the Voting Interests of the Disqualified Institution.**
2. **If the Disqualified Institution has a Controlling Owner, then**
 - a. **the Controlling Owner; and**
 - b. **if the Controlling Owner of the Disqualified Institution is a Business Entity, then each person who owns or Controls at least 25% of the Voting Interests of the Disqualified Institution’s Controlling Owner.**

AMENDMENT TO RULES SECTION 4.14(h) AND GLOSSARY

Section 4.14 Teach-Out and Teach-Out Agreements

- (h) For purposes of these Rules, the term “Teach-Out Event” shall mean the occurrence of any one or more of the following events involving a NACCAS-accredited institution:
1. The U.S. Department of Education notifies the Commission that the Secretary of Education has initiated an emergency action against the institution, in accordance with section 487(c)(1)(G) of the Higher Education Act (or a successor statute)(the “HEA”), or an action to limit, suspend, or terminate an institution participating in any title IV, HEA program, in accordance with section 487(c)(1)(F) of the HEA (or a successor Statute), and that a Teach-Out Plan is required.
 2. The Commission acts to withdraw the accreditation of the institution.
 3. The Commission acts to place the institution’s accreditation on Probation.
 4. The institution notifies the Commission that it intends to ~~(a) cease operations entirely or~~ ~~(b) cancel a program after students are enrolled.~~
 5. A State licensing or authorizing agency notifies the Commission that an institution's license or legal authorization to provide an educational program has been or will be revoked.

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AMENDMENT TO GLOSSARY (DEFINITION OF CHANGE OF CONTROL)

GLOSSARY

Change of Control: (1) Any event or change constituting a “change in ownership and control” under 34 CFR 600.31(a)-(c) or any successor regulation or (2) any other event whereby a person or entity gains **or loses** Control of an institution, except (in each case) as exempted under 34 CFR 600.31(e) or any successor regulation.

Amendment to the Glossary of Terms

Continuing Education – Participation in a program of instruction which is organized under responsible sponsorship, capable direction, and qualified instruction designed to improve professional proficiency. Twelve clock hours of continuing education or in-service training are required for all instructors in NACCAS-accredited institutions each year. Examples of continuing education documentation include, but are not limited to, the following:

- *Transcript or certificate from a college course or program, distance learning course or program, or adult education course or program that indicates the number of credits or hours obtained;*
- *Certificate of attendance from an educational provider ~~that indicates~~ **indicating** the date, **name of attendee**, and number of hours or credits completed;*
- *Letters from manufacturers, who provide product knowledge classes, indicating the subject matter taught, the number of credits/hours of the training, and a list of instructors attending attendees;*
- *Tickets for **Evidence of attendance** at a trade show including a copy of the program or flyer that describes the event attended, **name of attendee, date of attendance, and credit/hours of training received, and third party verification***
- *Course outline, date, name of instructor, instructor's qualifications, a list of attendees (**sign-in sheet**) and **third party provider verification of attendance** for in-house training seminars.*
- *Copy of a NACCAS workshop attendance certificate (which represents a minimum of 12 hours of continuing education ~~including the four requisite hours of teaching methodology~~).*

~~Minor Variations in the amount of hours of participation in continuing education activity are acceptable from year to year as long as the average number of hours attended per year is 12 permitted by state law. (Refer to Standard II)~~