



## Teach-out Plans and Agreements Policy

### Scope of This Policy

Under certain circumstances a COM is required to create a teach-out plan or agreement for review and approval by the Commission. This policy defines the circumstances under which each may be required and essential elements of these requirements.

### Definitions

Teach-out plans and agreements are designed to ensure that students are able to complete their education in an equitable manner and with minimal disruption should a COM cease to operate prior to their graduation. A **teach-out plan** assumes that a COM has the internal fiscal and human resources to continue its operations in order to fulfill its obligations to its students. A **teach-out agreement** is required when a COM lacks the resources to fulfill its obligations to its students and must enter into an agreement with another COCA-accredited COM to complete their education.

### Federal and State Requirements

If the COCA receives notification under 34 C.F.R. § 602.24(c) that the US Department of Education has reasons, as specified in the regulation, to be concerned about the operations of a COM, the COCA will immediately require the COM to create a teach-out plan or agreement in keeping with the terms of the regulation. The Commission will review the COM's submission under criteria specified in federal policy.

If a state licensing board or authorizing agency notifies the COCA that a COM's licensing or authorization to operate has been or will be revoked, the COM will be required to submit a teach-out plan or agreement for approval by the COCA.

### Teach-out Plans or Agreements Required by COCA

A proposed COM seeking Candidate status is required to submit evidence of an escrow account as specified in *2023 COM New and Developing Standards*, Element 3.3. The purpose of this account is to ensure that a COM has sufficient resources to fulfill its obligations to its enrolled students should it fail to achieve accreditation within a five-year period. While a formal teach-out plan is not required for the Commission, the resources to continue its educational program for the duration of its students' matriculation are ensured by the escrowed funds. Upon graduation of its first class, and the related Commission action to award Accreditation, the escrow funds will be released to the COM.

If the Commission acts to place a COM on Probation or Show Cause, or acts to withdraw accreditation or pre-accreditation, the COM will be required to submit a teach-out plan or agreement for approval by the COCA.

If a COM notifies the COCA that it intends to cease operations entirely or to close a location that provides one hundred percent of a DO program, it will be required to submit a teach-out plan or agreement for approval by the COCA.

### **Evaluation of a Teach-Out Plan**

The COCA will evaluate a teach-out plan to ensure that it provides for a sound educational program for the duration of the enrolled students' curriculum. Particularly, the COCA will evaluate the fiscal and human resources of the COM and the commitments of its leadership to support the COM's students for the duration of their studies.

### **Evaluation of a Teach-Out Agreement**

The COCA will approve only a teach-out agreement that is between COCA-accredited COMs. A COM may enter into a teach-out agreement with another COM provided that:

- The COM submits the agreement to the COCA for its review and approval at least 120 days prior to beginning the transfer of students under the agreement
- The agreement is consistent with COCA's accreditation standards and procedures
- The agreement provides that students will receive all the instruction promised by the closed institution that is not being provided because of the closure
- The COCA reviews the teach-out agreement to ensure that it provides for equitable treatment of all students. In assessing whether the agreement provides for such equitable treatment, the COCA will consider the following factors:
  - All correspondence to students regarding the closing of the COM will be given to all students at the same time.
  - All students from the closing COM or location will be notified of all potential receiving COMs identified in the agreement.
  - In general, such instruction at another COM will be provided without additional costs and tuition charges to the student. If the COM determines that additional charges are needed, the plan will specify those charges and the basis for them; such additional charges must be directly related to the cost of instruction.
  - All students are specifically notified in writing of any additional costs and tuition charges for each of the potential receiving COMs.
  - Any additional costs and tuition charges for a receiving COM will be the same for all students who transfer to that COM.
- The recipient teach-out COM demonstrates that it has the necessary experience, resources, and support services to provide an educational program of acceptable quality that is reasonably similar in its content, structure, and scheduling to that of the COM ceasing operations, either entirely or at one of its locations.
- The recipient teach-out COM demonstrates that it will remain stable, carry out its mission, and meet all obligations to its existing students during the period of the teach-out agreement.
- The closed COM will strive to place students in a COM that is geographically proximate to the closed COM.

- The recipient COM(s) request an increase in class size through COCA's substantive change process to take additional students from the closed institution.

Related Federal Requirements

34 C.F.R. § 602.23(c)