

ACAHM Accreditation Commission for Acupuncture and Herbal Medicine

Policy Title: Teach-Out Policy

Approved By: ACAHM Executive Director

Document History: Implementation Date: December 2015
Last Updated: 28 September 2023

Related Commission Policies: [Notification of Change Policy](#)

References: [34 CFR Part 602](#); [20 U.S. Code § 1099\(b\)](#); [Higher Learning Commission Policy for Commission Approval of Institutional Teach-out Arrangements](#).

Responsible Official: ACAHM Director of Regulatory Affairs

Policy Summary: This guidance describes the Commission’s policy regarding the closure of programs and institutions and related teach-out plans and agreements.

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General Background

Closing a Program

When a decision is made to close an ACAHM accredited or pre-accredited program, the institution must immediately cease admitting students to the corresponding program. The institution must make a good faith effort to assist affected students, faculty, administrative and support staff so that they experience minimal disruption in the pursuit of their course of study or professional careers. In all cases, affected individuals must be notified of the decision to close a program as soon as possible so that they can make appropriate plans. Students who have not completed their programs must be advised by faculty or professional counselors regarding suitable options, including transfer to comparable programs. Arrangements should be made to reassign faculty and staff or assist them in locating other employment.

Closing an ACAHM-Accredited or Pre-Accredited Institution, Branch Campus or Additional Location

A decision to close requires the development and implementation of specific plans that address the needs of students, faculty, and administrative staff, and the disposition of the institution's assets. General guidelines for closing an Institution, Branch campus or Additional location include:

1. **Students:** Students who have not completed their degrees should be provided for according to their needs. Arrangements for transfer to other institutions will require complete academic records and all other related information gathered in dossiers which can be transmitted promptly to receiving institutions. Agreements made with other institutions to receive transferring students and to accept their records should be in writing. Where financial aid is concerned, particularly federal or state grants, arrangements should be made with the appropriate agencies to transfer the grants to the receiving institution. Where such arrangements cannot be completed, students should be informed. In cases where students have held institutional scholarships or grants, appropriate agreements should be negotiated if there are available funds, which can be legally used to support students while completing degrees at other institutions.
2. **Academic Records and Financial Aid Transcripts:** Arrangements should be made with the state board for higher education, or other appropriate agency, for the retention of student records. If there is no state agency to receive records, arrangements should be made with a state university, with the state archives, or with a private organization to preserve the records. Notification should be sent to every current and past student indicating where the records are being stored and what the accessibility to those records will be. Where possible, a copy of a student's record should also be forwarded to the individual student. The institution must notify the Commission regarding the final filing of student records.
3. **Provision for Faculty and Staff:** Whenever possible, the institution should arrange for continuation of those faculty and staff that are necessary for the completion of the institution's work pending the closing date. In those instances, where faculty and staff will no longer be needed, the institution should make every effort to assist them in finding other employment. While it is understood that the institution can make no guarantees, good faith efforts to assist in relocation and reassignment are expected.
4. **Final Determinations:** Determinations must be made to allocate whatever financial resources and assets remain after the institution provides for the basic needs of current students, faculty, and staff. When the financial resources of the institution are inadequate to honor commitments, the board should investigate what alternatives and protection are available under applicable bankruptcy laws prior to its decision to close. If bankruptcy can be avoided, but funds are insufficient to maintain normal operations through the end of the closing process, the institution should not overlook the possibility of soliciting one-time gifts and donations to assist in fulfilling its final obligations. Every effort should be made to develop defensible policies for dividing the resources equitably among those with claims against the institution. One of the best ways of achieving this goal is to involve potential claimants in the process of developing the policies. Time and effort devoted to carrying the process to a judicious conclusion may considerably reduce the likelihood of lawsuits or other forms of confrontation. It is impossible to anticipate the many claims that might be made against the remaining resources of an institution, but institutions should give attention to the following three concerns:
 - a. Students have the right to expect basic minimal services during the final semester--not only in the academic division, but also in the business office, financial aid office, registrar's office, counseling, and other essential support services. Staff should be retained long enough to provide these services.
 - b. Staff should be willing to accept the possibility of early termination of their contracts, provided that

reasonable notice is given to all employees and that the reasons for retaining some personnel longer than others are based on satisfying the minimal needs of students and the legal requirements for closing.

- c. Every effort should be made to honor long-term financial obligations (loans, debentures, etc.) even though the parties holding such claims may choose not to press them.
5. **The Closing Date:** The final action of the governing board should be a formal vote to terminate the institution or close a Branch campus/Additional location on a specified date. This date could depend on several factors, such as a decision to file for bankruptcy and whether all obligations to students have been satisfactorily discharged.
6. **Disposition of Assets:** In the case of a not-for-profit institution, the legal requirements of the State and the IRS must be carefully examined with respect to the disposition of institutional assets. Arrangements for the sale of the physical plant, equipment, the library, special collections, art, or other essential holdings, and for the disposition of any endowments or special funds must be explored. In the case of wills, endowments, or special grants, the institution should discuss with the donors, grantors, executors of estates, and other providers of special funds, arrangements to accommodate their wishes. State laws and IRS regulations regarding the disposition of assets from a non-profit institution must be meticulously followed. All pertinent federal and state agencies need to be apprised of the institution's situation, and any obligations relating to state or federal funds cleared with the proper authorities.
7. **Other Considerations:** The closing institution, branch campus or additional location must timely inform the Commission of its plans for closing and of its final closing date, and promptly submit a teach-out plan for ACAHM approval.

Teach-Out Plans - Generally

Institutions/programs shall be required to timely submit a written teach-out plan to ACAHM for review and action in any of the following circumstances:

1. The US Department of Education notifies the Commission that it has initiated action against the institution to limit, suspend, or terminate the institution's participation in Title IV HEA programs and that a teach-out plan is required.
2. ACAHM acts to withdraw, terminate, or suspend accreditation or candidacy status.
3. A State licensing or authorizing agency provides notice that the institution's legal authorization to provide an ACAHM-accredited/pre-accredited educational program has been, or will be, revoked.
4. The institution notifies ACAHM that it intends to cease or suspend operations or permanently close the institution (or branch campus or additional location), or that it intends to discontinue some or all ACAHM-accredited/pre-accredited programs before all students have completed their program of study.
5. Commission staff determines in its sole discretion that closure or suspension of one or more academic programs at an institution raises concerns about the well-being of students in these programs; or
6. Commission staff determines that the institution is at risk for a sudden closure or suspension of some or all

its operations because it is in financial distress, under government investigation, undergoing Change of Control, Structure or Organization, or facing other significant challenges.

Regardless of the reason for the closure of an ACAHM accredited or pre-accredited institution/location/program, such a decision requires planning and consultation with all affected constituencies. Accordingly, a teach-out plan must include provisions for informing the communities of interest of the institution's or program's closure. The determination to close a program, branch campus, additional location, or the institution should be made through a consultative process and only after alternatives have been considered. However, responsibility for the final decision rests with the governing board of the institution.

If a closing institution plans to teach-out its own students, the period for teach-out shall typically not exceed 12-18 months, particularly in cases where there are other institutions in the area that offer similar programs available to students of the closing institution, unless the closing institution can assure the Commission that the closing institutions continues to meet robustly all the Commission's standards and criteria for accreditation during the teach-out period.

If ACAHM approves a teach-out plan for an institution that offers a program(s) accredited by another recognized accrediting agency, the Commission will notify that agency of its approval.

The institution must submit the teach-out plan to the Commission office for approval prior to its implementation, accompanied by documentation that cross-references the provisions of the plan to each of the criteria specified in this section below. ACAHM will evaluate the teach-out plan to ensure that it provides for the equitable treatment of students.

If an ACAHM accredited or pre-accredited institution/location/program closes without a teach-out plan or agreement, ACAHM will work with the Department of Education and appropriate state agencies to assist students in finding reasonable opportunities to complete their education without additional charges.

Following Commission approval of a teach-out plan that includes arrangements with another accredited or pre-accredited institution to teach-out students of a closing institution/location/program, the closing and teach-out institutions must submit to the Commission for approval a teach-out agreement that addresses each of the requirements specified below.

Teach-Out Requirements

Teach-out plans must include and address the following:

1. Name of program(s) being discontinued [i.e., the affected program(s)], and whether the institution is closing.
2. A listing by name of all students who are impacted by the closing of the institution, the affected ACAHM-accredited/pre-accredited program(s) and/or the branch or additional location(s) and their estimated date of graduation.
3. Date of last enrollment of students in the affected ACAHM-accredited/pre-accredited program(s).
4. Date of discontinuation of affected ACAHM-accredited/pre-accredited program(s)/location(s).
5. A description of how the institution will ensure the delivery and services to the remaining students of the affected ACAHM-accredited/pre-accredited program(s), such that:

- A. There will not be significant disruption or modification to the program(s) for which students contracted in their enrollment agreement.
 - B. The remaining obligations to students will be met.
 - C. There is a statement of the status of unearned tuition and all current refunds due to students; and
 - D. There is a statement of additional charges to students, if any, which must be appropriate and reasonable, including the plan for timely and accurate advance notification to the students of any additional charges.
6. The disposition of students' records in the affected ACAHM-accredited/pre-accredited program(s) including but not limited to:
- A. Enrollment agreements
 - B. Financial aid transcripts
 - C. Attendance records
 - D. Academic transcripts
 - E. Student accounts
 - F. Diplomas or other certificates of program completion
 - G. List of all ACAHM-accredited programs offered prior to closure, and any previous name(s) used for each accredited program.
7. The date(s) and substance of clear, accurate, and timely notification(s) to students and other communities of interest that the ACAHM-accredited/pre-accredited program, location, and/or institution is closing.
8. A listing of all other accrediting agencies, institutional and programmatic, that have an affiliation with the institution.
9. The closing program or institution will identify whether it will:
- A. Teach-out its currently enrolled students; no longer admit new students to the ACAHM-accredited/pre-accredited program(s); and terminate the ACAHM-accredited/pre-accredited program(s), the operations of its branch campus or additional location(s) (if any), or the operations of the institution after students have graduated; or
 - B. Enter into an agreement with an ACAHM-accredited or pre-accredited ("Candidate") program/institution to "teach-out" the affected program(s). Such a teach-out agreement requires Commission approval prior to implementation. The teach-out plan must document that the institution identified to conduct the teach-out program:
 - a. Is accredited or pre-accredited by ACAHM.
 - b. Possesses the necessary experience, resources, and support services to provide an East Asian medicine (EAM) program(s) that are of acceptable quality and reasonably similar content, structure, and scheduling to that provided by the institution/location/program that is ceasing its operations.
 - c. Is administratively and financially stable; is achieving its mission, goals, and objectives; and can meet all obligations to its existing students.
 - d. Documents that conducting the proposed teach-out program will not adversely impact the capacity of the institution to continue to meet ACAHM Standards and Criteria for Accreditation; and,
 - e. Demonstrates that it can provide students access to the ACAHM-accredited/pre-accredited program(s) and services without requiring them to move or travel substantial distances and that will provide students with information about additional charges, if any.

Teach-Out Agreements

Agreement Specifications

A teach-out agreement is defined as a written agreement between accredited institutions that provides for the equitable treatment of students if one of those institutions stops offering an educational program before all students have completed it. If an institution enters into a teach-out agreement with another institution, it must submit the agreement, signed by all parties, to the Commission office for approval prior to its implementation. The institution must also provide documentation that cross-references the provisions of the agreement to each of the criteria specified in the section below. For approval by the Commission, the agreement must be between institutions that offer ACAHM accredited or pre-accredited programs; be consistent with relevant ACAHM Eligibility Requirements, Standards, Policies and Procedures; and provide for the equitable treatment of students.

The Commission will approve a teach-out agreement only if it determines that the following criteria have been met:

1. The teach-out institution has stipulated that it will provide for the equitable treatment of students.
2. The teach-out institution has the necessary experience, resources, and support services to provide an educational program in EAM that is of acceptable quality and is reasonably similar in content, structure, and scheduling to that provided by the institution/program that is ceasing its operations.
3. The teach-out institution is administratively and financially stable, is achieving its mission, goals, and objectives, possesses the necessary academic expertise and relevant support services to provide quality educational experiences, and conducting the teach-out will not adversely impact the ability of the institution to meet all obligations to its existing students or its capacity to continue to meet ACAHM standards.
4. The teach-out institution demonstrates that it can provide students access to the program and services for which the students originally contracted and paid, but did not receive due to the closure, without requiring them to move or travel substantial distances, and that it will provide students with timely and accurate advance information about additional charges, if any.
5. The teach-out agreement must be with one or more institutions accredited/pre-accredited by a U.S. Department of Education-recognized accrediting agency, licensed and in good standing with the applicable government authorizing agency, and which currently offer ACAHM-accredited/pre-accredited programs similar in content, structure, and scheduling to those offered at the closing program, and can conduct a teach-out.
6. The agreement must provide that, when the closing program terminates its teaching activities, the teach-out program will, upon a set schedule, in which the closing program provided the original course of study, offer each student enrolled at the closing program a reasonable opportunity to promptly resume and complete the course of study--or a substantially similar course of study--in the same geographic area as the closing program (if possible).
7. The agreement must include a listing by name of all students who are affected by the closing of the program and their estimated date of graduation.
8. If any students have paid for training at the closing program, the agreement must state that the students will be provided all instruction for which students originally contracted but did not receive due to the closure of the program, without additional cost. Nothing in this paragraph precludes a

student from the closing program from voluntarily transferring into another program and receiving additional training for an additional cost.

9. The closing program must provide the status of unearned tuition, all current refunds--and information, if applicable--due to students on the state tuition recovery fund, and how it may be used to discharge the program's obligations to students.
10. The closing program must provide notice in a timely manner to each student of the availability of the teach-out and effectively advertise the availability of a teach-out. The teach-out program must agree to provide to students enrolled at the closing program--at their request with respect to the teach-out program's facilities, faculty, equipment, services, policies--information about the manner and means by which it will accomplish the teach-out, and other information pertinent to the teach-out.
11. The agreement must specify the financial responsibilities of all parties, including additional charges to students, if any, and timely and accurate notification to students of any additional charges.
12. The agreement must clearly indicate the location(s) where the students will be taught out.
13. The agreement must state whether, upon completion of the program, the student will receive a degree, diploma, or certificate from the teach-out program or from the closing program.
14. The agreement must indicate whether students who had already enrolled but had not yet started their course of study at the closing program or who had been on leave of absence from the closing program, would be entitled to begin training or re-enroll at the teach-out program.
15. The agreement must state that the closing program will provide the teach-out program with copies of the following records for the students being taught out:
 - A. Enrollment agreements
 - B. Financial aid transcripts
 - C. Attendance records
 - D. Academic transcripts
 - E. Student accounts
 - F. Diplomas or other certificates of program completion
16. The agreement must require that the teach-out program separately maintain records and document performance for the students being taught out at that program.
17. The agreement must provide appropriate notification to the Commission, students, and federal and state authorities. Appropriate notification includes a report, at least annually, on the status and progress of the implementation of the teach-out agreement provisions, and the equitable treatment of students.
18. The agreement must comply with applicable federal and state law.

Revision History

Date Revised	Summary of Revisions	Approved By
170111	Updating and reformatting of existing ACAOM Teach-Out Policy and Teach-Out Agreement guidance.	Commission

180108	Content added to address closing of branch campuses and additional locations and additional circumstances requiring submission of a teach-out plan.	ACAOM Executive Director
220204	Adjusted terminology throughout for ACAHM name change and removal of "Oriental" term; no material revisions made	ACAHM Executive Director
230928	Added requirement for list of previous program names	ACAHM Executive Director