



UNITED STATES DEPARTMENT OF EDUCATION
WASHINGTON, D.C. 20202

Dear Colleague:

We are writing concerning the accreditation requirement for participation in the Federal student aid programs and actions your institution may need to take if you offer distance education programs. As you may know, not all accrediting agencies are recognized by the Secretary of Education for accrediting distance education programs. Our records indicate that your institution relies on an accrediting agency as its primary accreditor that does not have distance education within its scope of recognition for its eligibility in the Federal student aid programs. For this reason, you may need to take action as described in this letter.

In February of this year, Congress passed the Higher Education Reconciliation Act (HERA), which modified institutional and student eligibility requirements related to distance education by exempting telecommunications from the "50 percent rules" while retaining the 50 percent limits on correspondence. Under the HERA, effective July 1, 2006, otherwise eligible institutions that offer over 50 percent of their courses by telecommunications, or have 50 percent or more of their regular students enrolled in telecommunications courses, are now eligible for participation in the Title IV, HEA programs, provided that the institution is accredited by an accrediting agency recognized by the Secretary that has the evaluation of distance education in its scope of recognition, and that the agency has evaluated the institution's capability to offer distance education and included the distance education programs in the grant of accreditation.

Accreditation regulations define distance education as an "educational process that is characterized by the separation, in time or place, between instructor and student" that includes "courses offered principally through the use of . . . television, audio, or computer transmission, such as open broadcast, closed circuit, cable, microwave, or satellite transmission . . . audio or computer conferencing. . . video cassettes or disks. . . [or] correspondence." All programs offered principally by one or more of these or similar means require evaluation and approval by an agency recognized for accreditation of distance education.

It is important to understand that not all accrediting agencies are recognized for accreditation of distance education. In 1998, Congress amended the Higher Education Act to require, for the first time, that the Secretary specify whether or not the scope of recognition granted to each accrediting agency recognized for Federal program purposes extended to accreditation of distance education programs. See 20 U.S.C. §1099b(n)(3). The 1998 requirement has been implemented over time, as agencies applied for renewal of recognition and, at their option, for an expansion of the scope of recognition to their accreditation of distance education programs.

Because this was a change in the law, agencies that were recognized by the Secretary as of October 1, 1998, and could demonstrate that they had accredited distance education programs as of that time, were deemed by the Department to have had distance education implicitly included within their scope of recognition, pending their application for renewal of recognition and, if warranted, an explicit inclusion of distance education in their scope.

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The transition is now complete. By now, each accrediting agency recognized on or after October 1, 1998, has come before the Department for renewal of recognition and accordingly has had an opportunity to request that it be reviewed for an expansion of its scope of recognition to include its accreditation of distance education programs. Enclosed is a list of the accrediting agencies that have distance education included in their scope of recognition.

If your institution does not currently provide, and does not plan to provide, over 50 percent of a program via distance education, no action is necessary. Likewise, no action is necessary if your institution currently provides or plans to provide such a program, as long as your institution does not award or plan to award Title IV funds to students enrolled in that program.

For participating institutions that use distance as the method of delivering one or more educational programs, and that, on and after July 1, 2006, have continuously maintained accreditation conferred by an agency that does not include distance education in its scope of recognition by the Department of Education, the Department is exercising its authority under 20 U.S.C. § 1099c(h)(2) to continue the eligibility in the Title IV student financial assistance programs for eighteen months from July 1, 2006, of the distance education programs that were being offered as of that date. However, to come within this continuation of eligibility, the institution must promptly provide notice to the Department of its intentions as described below and at the address specified below. The institution must also execute a new program participation agreement placing it on provisional certification in order to continue to participate pending resolution of the accrediting issue. This continuation of eligibility does not extend to institutions that are not currently participating in the Title IV Federal student aid programs, nor to institutions relying on any actions taken after July 1, 2006, with respect to accreditation by an accreditor not recognized for distance education.

Within the eighteen month period, you must either secure accreditation from an accreditor that is recognized for distance education, or determine the date that the institution will cease providing Title IV funds to students in its educational programs that are provided more than 50 percent via distance education. The date by which you must have either secured accreditation from an agency recognized for distance education or ceased awarding Title IV funds for your distance education programs must not be later than December 31, 2007.

Note, if you cannot obtain adequate assurance from your current accrediting agency that it will obtain recognition for accreditation of distance education by December 31, 2007, you must immediately begin the process of securing institutional accreditation from an agency that is recognized by the Secretary for distance education, since accreditation is a time-consuming process. You may wish to contact your current accrediting agency to ascertain its plans.

In addition, under 34 C.F.R. § 600.11, you must notify the Department of Education of any intention to change or secure additional institutional accreditation. The Department will regard an institution's decision to change accrediting agencies, and/or to hold multiple accreditations for a period of time, in order to insure accreditation by an agency having distance education in its scope, as "reasonable cause" for purposes of that regulation.

To notify the Department of your intention to seek accreditation from an accreditor that is recognized for distance education, you must immediately provide a letter explaining the institution's intention to secure new or additional institution-wide accreditation. The letter should

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state that the purpose of the change is to secure accreditation from an accrediting agency that has distance education in its scope. You must also provide a notice from your current accrediting agency that indicates your institution is currently in good standing with that accreditor.

To notify the Department of your institution's intention to cease providing Title IV funds to students in its programs that are offered more than 50 percent by distance education, or of its intention to cease providing such funds in the event your current accrediting agency does not secure recognition for distance education by December 31, 2007, you must immediately provide a letter stating your intention not to secure additional accreditation. Please include in the letter the date the institution will cease providing Title IV funds to students in its educational programs that are provided more than 50 percent via distance education in the event they continue to lack recognized accreditation. Remember, this date must not be later than December 31, 2007.

This information must be sent to the following address:

U.S. Department of Education
School Participation Management
School Eligibility Channel
Integrated Partner Management Division
Attention: Distance Education & Accreditation Notification
830 First Street, NE
Washington, DC 20002-5402

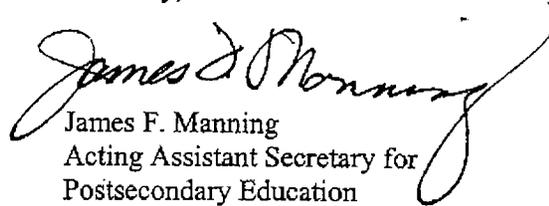
When the Department receives the notice of intent to seek alternative accreditation, we will place the institution on provisional certification for a period up through, but not after, December 31, 2007. This will allow it temporarily to continue providing Title IV funds to students whose distance education programs would meet all Title IV eligibility requirements but for the lack of distance education in the accrediting agency's scope of recognition. Similarly, any institution that notifies the Department of its intent to cease providing Title IV aid to any such distance education program will be eligible for the same provisional certification. However, an institution may not provide Title IV student financial aid for any distance education programs for which it has not offered aid prior to July 1, 2006, unless these have been and remain accredited by an agency that has distance education in its scope.

The institution is reminded that if it secures accreditation from a new agency, it must submit an application via www.eligcert.ed.gov to report the new accrediting agency. Note, the institution must secure and report to the Department the approval from the new agency prior to December 31, 2007, in order to continue to provide Title IV funds to students in programs offered via distance education beyond that date. Under "Application Purpose", check the box next to "Update Information" and then select "Accrediting Agency" from the pick list. You will then enter the new accreditor in Section B, Question 15. You must select which agency will be the primary accreditor for purposes of Title IV gatekeeping. You must receive notice from us that we recognize the new accrediting agency before you drop your current accreditor. You must wait until the process of obtaining such accreditation is complete before adding any new distance education program to your Title IV participation.

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If you have questions about accreditation, please contact the Office of Accreditation and State Liaison at (202) 219-7011. Questions about program eligibility should be addressed to Barbara Murray of the School Eligibility Channel at (202) 377-4203.

Sincerely,



James F. Manning
Acting Assistant Secretary for
Postsecondary Education



Theresa S. Shaw
Chief Operating Officer
Office of Federal Student Aid

Enclosure