



Regulatory Compliance Division
Post Initial Authorization Training
February 9, 2024

9:30 a.m. to 11:30 a.m. CST Via WebEx



Relentlessly focused on increasing the number of
Tennesseans with a postsecondary credential



Initial Authorization Training Manual

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Authorized Institutions Overview



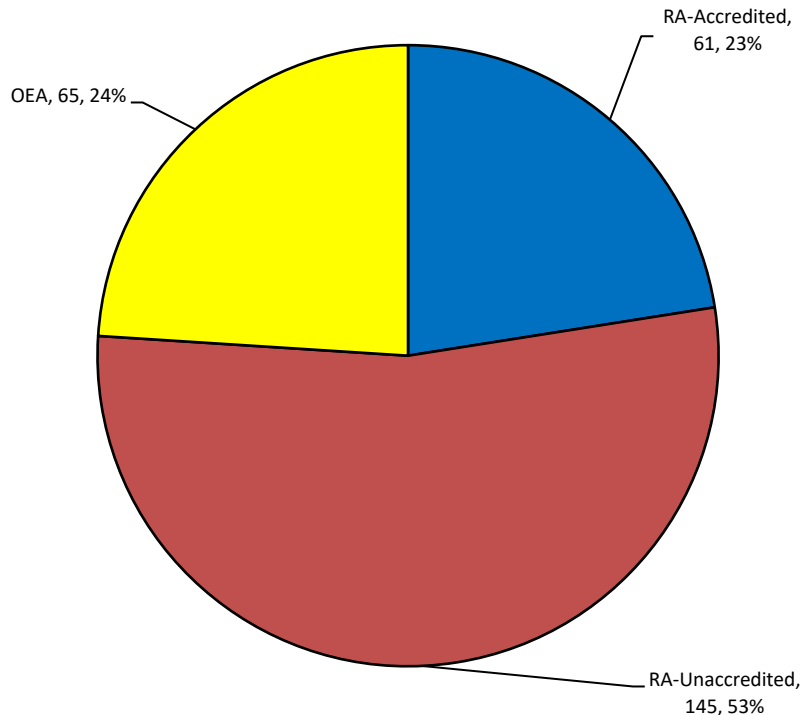
Authorized Institutions Overview

- Pursuant to the Tennessee Higher Education Authorization Act of 2016 (THEAA) (Tenn. Code Ann. § 49-7-2001, *et seq.*) the Tennessee Higher Education Commission (THEC) is directly responsible for the oversight and operation of degree and non-degree granting accredited and unaccredited institutions that offer a wide variety of academic, career, technical and trade programs.
- The divisions within THEC that staff these functions are the Division of Postsecondary State Authorization (DPSA) and the Regulatory Compliance Division (RCD).



Authorized Institutions Overview

As of February 1, 2024



- 271 Institutions Authorized/Approved
 - 206 Regular Authorization (RA)
 - 61 are accredited
 - 145 are unaccredited
 - 151 are for-profit
 - 55 are not-for-profit or government
 - Approximately 875 programs offered
 - 65 Optional Expedited Authorization (OEA)
 - 65 are accredited
 - 39 are for-profit
 - 26 are not-for-profit or government
 - Approximately 2724 programs offered
- RA and OEA institutions enrolled approximately 60,628 students in June/July 2022-2023.



Resource Material



THEC Website: tn.gov/thec

Tennessee Higher Education Commission

Search all THEC

About THEC | Bureaus | Learn About | Data and Reports | News and Events | Contact Us

Academic Affairs and Student Success

Access and Outreach

Finance and Administration

Legal and External Affairs

Policy, Planning, and Research

Student Aid and Compliance

COVID-19 INFORMATION AND RESOURCES

COVID-19 CAMPUS & FINANCIAL AID INFORMATION

Colleges & Universities

View Tennessee institutions by region

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Student Aid and Compliance

Postsecondary State Authorization

Financial Aid Compliance

FAFSA Grants and Scholarships

Veterans Education



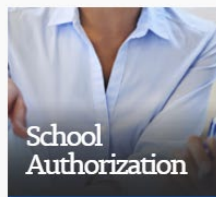
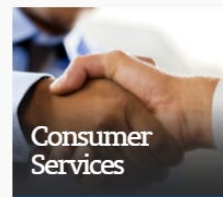
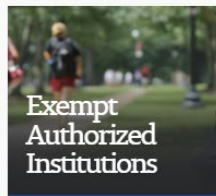
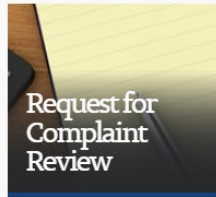
DPSA Homepage:

<https://www.tn.gov/thec/bureaus/student-aid-and-compliance/postsecondary-state-authorization.html>

Postsecondary State Authorization

The Higher Education Authorization Act of 2016, [T.C.A. §49-7-2001 et seq.](#), [T.C.A. §49-7-144](#), and Rule Chapters [1540-01-02](#) and [1540-01-10](#) govern the regulation of postsecondary educational institutions.

[INFORMATION ON THE CLOSURE OF HUSSIAN COLLEGE IS AVAILABLE ON THE BELOW INSTITUTION CLOSURE INFORMATION LINK](#)



Link to Statutes and Rules.



Statutes and Rules

Postsecondary State Authorization

The Higher Education Authorization Act of 2016, [T.C.A. §49-7-2001 et seq.](#), [T.C.A. §49-7-144](#), and Rule Chapters [1540-01-02](#) and [1540-01-10](#) govern the regulation of postsecondary educational institutions.

These statutes and rules are applicable to your institution.

Click this icon to open bookmarks

The screenshot shows a document viewer interface. On the left, a 'Table of Contents' sidebar is open, listing sections from 'PREFACE' to 'REGULATIONS FOR SPECIFIC INSTITUTIONS AND'. The main document area displays the title 'RULES OF TENNESSEE HIGHER EDUCATION COMMISSION' and 'CHAPTER 1540-01-02 AUTHORIZATION AND REGULATION OF EARLY AUTHORIZED POSTSECONDARY EDUCATIONAL INSTITUTIONS'. Below this, a 'TABLE OF CONTENTS' lists various rule sections such as 'Financial Standards', 'Institution and Student Records', and 'Refund of Regulatory Fees'.



Statutes and Rules

Postsecondary State Authorization

These statutes and rules are applicable to your institution.

The Higher Education Authorization Act of 2016, [T.C.A. §49-7-2001 et seq.](#), [T.C.A. §49-7-144](#), and Rule Chapters [1540-01-02](#) and [1540-01-10](#) govern the regulation of postsecondary educational institutions.

TENNESSEE

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- Title 48 Securities, Corporations And Associations
- Title 49 Education
- Chapter 6 Elementary and Secondary Education
- Chapter 7 Postsecondary and Higher Education Generally
- Part 18 Transparency in Foreign Investment Act
- Part 19 [Reserved]
- Part 20 Tennessee Higher Education Authorization Act of 2016

< Previous

Next >

Tenn. Code Ann. § 49-7-2001

Copy Citation

Current through the 2020 Regular and Second Extraordinary Sessions

[TN - Tennessee Code Annotated](#) > [Title 49 Education](#) > [Chapter 7 Postsecondary and Higher Education Generally](#) > [Part 20 Tennessee Higher Education Authorization Act of 2016](#)

49-7-2001. Short title.

This part shall be known and cited as the "Tennessee Higher Education Authorization Act of 2016."



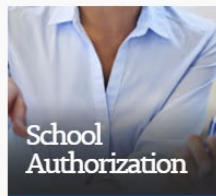
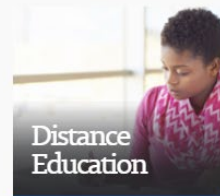
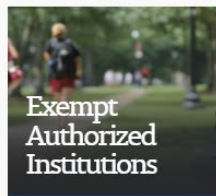
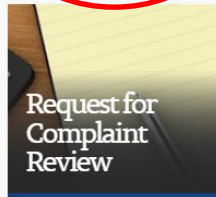
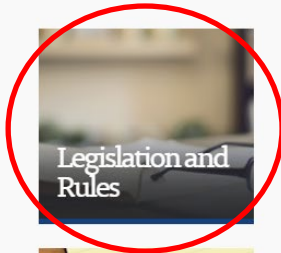
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INFORMATION ON THE CLOSURE OF HUSSIAN COLLEGE IS AVAILABLE ON THE BELOW INSTITUTION CLOSURE INFORMATION LINK





Legislation and Rules

This webpage contains information about legislative and rule changes. See <https://www.tn.gov/thec/bureaus/student-aid-and-compliance/postsecondary-state-authorization/legislationandrules.html>

- We do not anticipate legislation revising the THEAA this year.
- We do anticipate a rulemaking later this year so be on the lookout for information on how you can participate in the process.



DPSA Homepage:

<https://www.tn.gov/thec/bureaus/student-aid-and-compliance/postsecondary-state-authorization.html>

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Application
Due Dates,
Review, and
Training



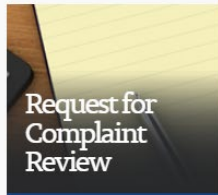
Legislation and
Rules



DPSA Links
and Forms



Academic
Transcripts



Request for
Complaint
Review



Institution
Closure
Information



Authorized
Institutions and
Data



Exempt
Authorized
Institutions




Distance
Education



Consumer
Services



School
Authorization



Frequently
Asked
Postsecondary
Questions



Application Due Dates, Review, and Training

This webpage contains information related to the review of applications.

See

<https://www.tn.gov/thec/bureaus/student-aid-and-compliance/postsecondary-state-authorization/application-deadlines-and-meeting-dates.html>.

Generally, institutions will have two (2) opportunities to correct an application. If the institution does not meet the minimum standards after the opportunity to submit corrections has been given, the application will be denied.

Additional Applications

The following applications will be reviewed and acted upon by the staff of DPSA. If DPSA staff determines that the application complies in all respects with the applicable statutes and rules, then it will approve the application. If necessary, the institution will have two (2) opportunities to correct its application. If the institution does not meet the minimum standards after the opportunity to submit corrections has been given, the application will be denied.

- o Application for Reauthorization of a regularly authorized institution
- o Application for Optional Expedited Authorization (renewal)
- o Program Registration Requests
- o Certifications of Compliance
 - o for Regular Authorizaion
 - o for Optional Expedited Authorization
- o Applications for Change of Ownership
- o Personnel Applications
- o Exemption Determination Requests

Assistance in completing the applications is available by emailing THEC.DPSA-Applications@tn.gov.



Application Due Dates, Review, and Training

Filing Deadlines	Authorization End Dates as of July 1, 2022			
	March 31	June 30	September 30	December 31
10/03/2022				CC
01/03/2023	CC			
04/03/2023		RA or ADEA		
07/03/2023			CC	
10/02/2023				CC
01/02/2024	RA or ADEA			
04/01/2024		CC		
07/01/2024			CC	
10/01/2024				CC
01/02/2025	CC			
04/01/2025		CC		
07/01/2025			CC	
10/01/2025				RA or ADEA
01/02/2026	CC			
04/01/2026		CC		
07/01/2026			RA or OEA	
10/01/2026				CC

This webpage also contains due dates for certifications of compliance and reauthorization applications. **When using this chart, you must know the authorization period end date of your institution. This should be listed on your Certificate of Authorization or letter acknowledging your Certification of Compliance.**



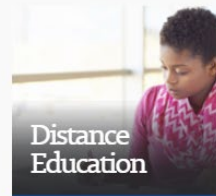
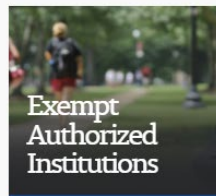
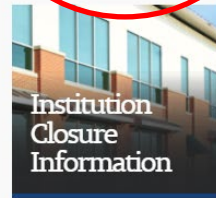
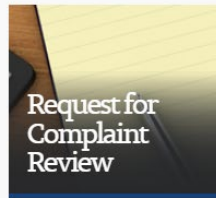
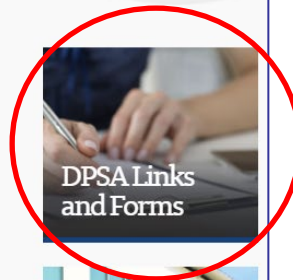
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[INFORMATION ON THE CLOSURE OF HUSSIAN COLLEGE IS AVAILABLE ON THE BELOW INSTITUTION CLOSURE INFORMATION LINK](#)





DPSA Links and Forms

This introductory DPSA Links and Form page contains links to information about how to file applications, requests, and certification and easy access to all the necessary forms.

TN Tennessee Higher Education Commission

Go to TN.gov

Search all THEC

About THEC ▾ Bureaus ▾ Learn About ▾ Reports, Studies, and Publications ▾ News and Events ▾ Contact Us ▾

DPSA Links and Form

Governor Lee signed [2022 Tenn. Pub. Ch. 1044](#) on May 11, 2022. The Act took effect July 1, 2022, and refines how Tennessee regulates postsecondary educational institutions as defined in Title 49, Chapter 7, Part 20. The Act dissolved the Committee on Postsecondary Educational Institutions.

- Additional information on the legislation, related rules, and adjustment of existing authorization dates is available [HERE](#).
- Additional Information on the application review process and training is available [HERE](#).

> [DPSA Applications/Forms](#)

> [Institutional Authorization](#)

> [Authorized Institution Information](#)

> [DPSA Codes](#)

> [Consumer Services](#)

Bookmark this page:

<https://www.tn.gov/thec/bureaus/student-aid-and-compliance/postsecondary-state-authorization/dpsa-links-and-forms.html>



DPSA Links and Forms > DPSA Applications/Forms

DPSA Links and Form

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- Additional information on the application review process and training is available [HERE](#).

∨ [DPSA Applications/Forms](#)

All applications, forms, notices, requests, and supporting documentation must be submitted to the Division of Postsecondary State Authorization (DPSA) as explained [HERE](#).

• [Rule Chapter 1540-01-10 Optional Expedited Authorization \(OEA\) Institutions](#)

- [Change of Ownership Application](#)
- [Optional Expedited Authorization \(OEA\) Application](#)
- [New Program Notification Form](#) (Excel file)
- Individual Student Statistical Data
 - Instructions for Individual Student Statistical Data (PDF File) (Currently Revising)
 - Blank Student Level Statistical Data Form (Excel file) (Currently Revising)

• [Rule Chapter 1540-01-02 Regularly Authorized \(RA\) Institution](#)

- [Initial Authorization Application](#)
 - [Pro Forma Financial Spreadsheets](#)
 - [Pro Forma Financial Spreadsheets Instructions](#)
 - [Program Registration Request](#)
 - [School Personnel Application](#) - Use **ONLY** for a change of Institutional Director.
 - [Change of Ownership Application](#)
 - [Change of Institutional Location Application](#)
 - [Change of Name Application](#)
 - [Surety Bond for Postsecondary Educational Institutions](#)
- [Rule Chapter 1540-01-02-05 Exemptions](#)
- [Exemption Determination Request](#)
- [Rule Chapter 1710-01-02 Tuition Guaranty Fund \(TGF\)](#)
- Tuition Guaranty Fund (TGF) Claim Application (Currently Revising)
 - Tuition Guaranty Fund (TGF) Information Release Authorization (Currently Revising)

This section is applicable to your institution:

• [Rule Chapter 1540-01-02 Regularly Authorized \(RA\) Institutions](#)

- [Initial Authorization Application](#)
 - [Pro Forma Financial Spreadsheets](#)
 - [Pro Forma Financial Spreadsheets Instructions](#)
- [Program Registration Request](#)
- [School Personnel Application](#) - Use **ONLY** for a change of Institutional Director.
- [Change of Ownership Application](#)
- [Change of Institutional Location Application](#)
- [Change of Name Application](#)
- [Surety Bond for Postsecondary Educational Institutions](#)



Annual Obligations



Reauthorization & Certification of Compliance



Reauthorization & Certification of Compliance

- Institutions are required to submit a reauthorization application prior to the end of the four-year authorization period.
- Institutions are required to submit Certifications of Compliance annually during the four-year authorization period.
- We rely on email to send application links and updates to institutions. Therefore, keep your email contact information up-to-date and monitor your spam closely.



Reauthorization

Collected Information & Data

The following information will be requested as part of reauthorization so your institution should put in place procedures now to ensure the information is readily available when needed.

- Licensure Passage Rates - Applies to any program leading to employment in a field where licensure is required for employment and there is an examination.
- Student enrollment documents or affirmation statements
- Total gross tuition collected and student funding sources
- Administrative Personnel and Faculty List
- Comprehensive program list updates



Reauthorization

Collected Information & Data

- Updates of certain information on file, including lease documentation and ownership information
- Financial Statements (Income Statement and Balance Sheet) as provided for in Rule 1540-01-02-.14

Gross Tuition Revenues of \$1,000,000 or Greater

- Audited Financials Statements Prepared by an Independent CPA in Accordance with GAAP

Gross Tuition Revenues Less Than \$1,000,000 But Greater Than \$100,000

- Reviewed Financials Statements Prepared by an Independent CPA in Accordance with GAAP

Gross Tuition Revenues Equal to or Less Than \$100,000

- Financials Statements on DPSA forms prepared by a CPA or Certified Bookkeeper



Certifications of Compliance

Collected Information & Data

The following information will be requested as part of certifications of compliance so your institution should put in place procedures now to ensure the information is readily available when needed.

- Institutional Contact Information
- Compliance statements
- Accreditation information, if applicable
- Program revision information
- Total gross tuition collected and student funding sources
- If unaccredited or on conditional authorization, financial statements as provided for in Rule 1540-01-02-.14



Student Level Statistical Data (“SLSD”) Collection



SLSD Collection

Collected Information & Data

- In **June each year**, DPSA will send your institution a blank or prepopulated spreadsheet along with instructions. You should read these instructions carefully. The reporting period is July 1 of the previous year to June 30 of the current year.
- The spreadsheets **must be returned by October 15**, or the next business day.
- **Put in place procedures now** to ensure the information is readily available when needed.
 - For example, start maintaining dates for all student withdrawals, probation, leave of absence, graduation or any other status changes.
- Data is collected on **enrolled students**. "Enrolled" refers to those students who have attended one (1) session of class, turned in one (1) assignment, or received one (1) distance learning lesson. Rule 1540-01-02-.03(27).



SLSD Collection

Withdrawal and Placement Data

SLSD will be collected on an Excel spreadsheet that includes the following information for each student:

- First Name
- Middle Initial
- Last Name
- Student ID Number
- Social Security Number
- Race
- Gender
- Date of Birth
- Program Name
- Program Code
- Delivery Mode
- Program Length
- Credential
- Date Started
- Date Completed
- Date Withdrew
- Special Circumstance Withdrew
- Placed
- Placed In-Field
- Special Circumstance Non-Placement
- Name, Address, and Telephone Number of Employer

Failure to provide all required information by the due date is grounds for adverse action, including a fine of at least \$500.00.



SLSD Collection

Withdrawal and Placement Data

Special Circumstances for Withdrawals:

- Health related situation
- Family emergency
- Death
- Incarceration
- Full-time military service
- Job relocated/transferred
- Transferred to a different program at your institution

Special Circumstances for Non-Placements:

- Health related situation
- Family emergency
- Death
- Incarceration
- Full-time military service
- Job relocated/transferred
- Continuing education at your institution
- Continuing education at a different institution
- Pending fulfillment of licensure requirements
- International students - unable by law to work
- Student could not be contacted/
Refused employment



SLSD Collection

Common Errors

- Not providing the student's social security or unique ID number. The social security number is preferred.
- Not providing the date of birth.
- Filling the "date completed" when the student has not completed the program. If no credential is awarded to the student (e.g., they failed or withdrew) then they did not complete the program.
- Entering a completion or withdrawal date that is later than the end of the reporting period (June 30) or earlier than the DATE STARTED.
- Not populating the "placed in field" column when the student has completed the corresponding program and is marked as "Y" for "Placed."



SLSD Collection

Common Errors, Continued

- Employer contact information is not provided when the student completes and is working.
- Not populating the “placed” column when the student completed the program.

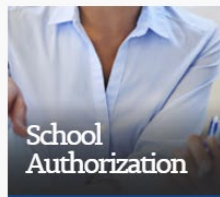
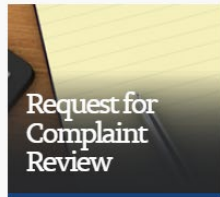


SLSD - THEC Website: tn.gov/thec

Postsecondary State Authorization

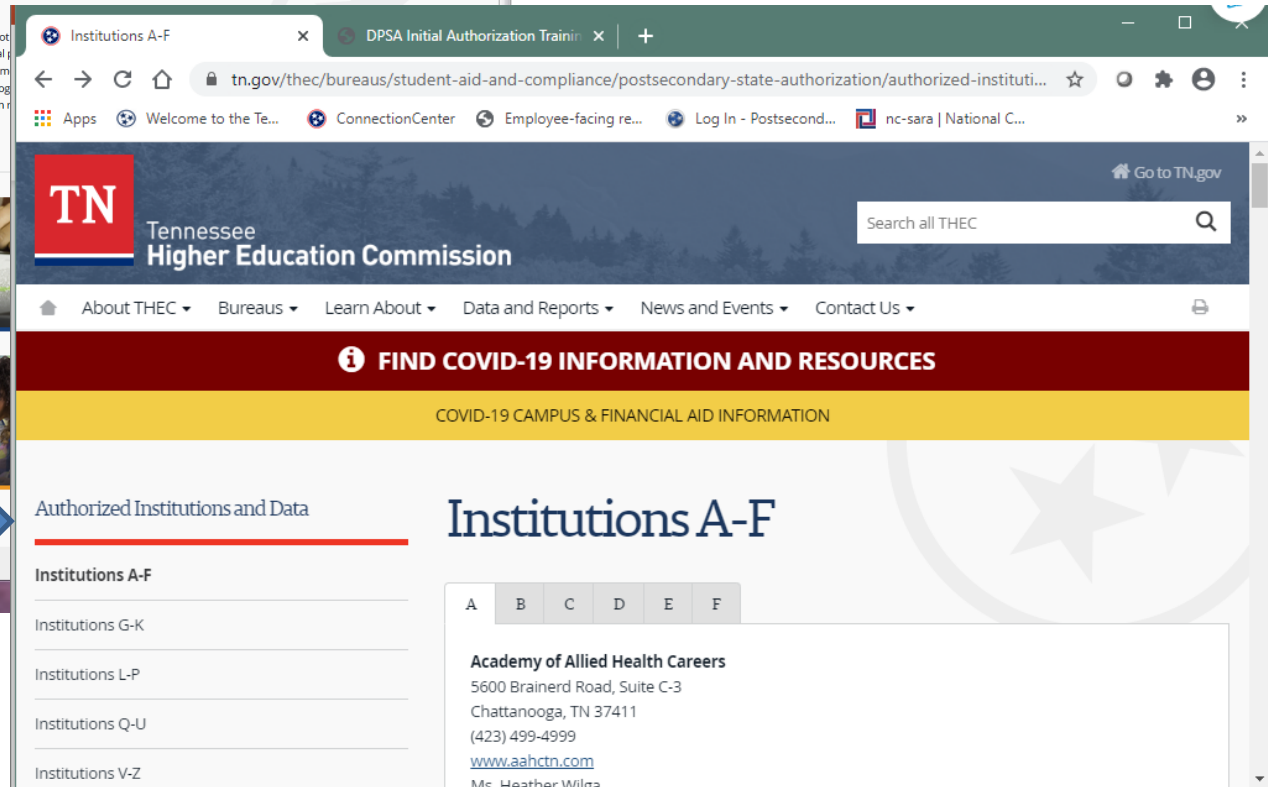
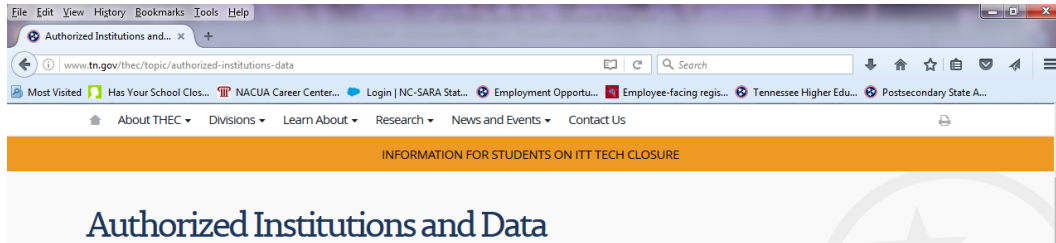
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SLSD - THEC Website: tn.gov/thec





Tuition Guaranty Fund



Tuition Guaranty Fund

Rule Chapter 1710-01-02 & Tenn. Code Ann. § 49-7-2018

- The tuition guaranty fund was created by the Tennessee General Assembly to establish a fund from which reimbursement can be made to students for unearned tuition.
- A Board of Directors administers the fund. The Board is composed of:
 - the Comptroller of the Treasury;
 - the Commissioner of Finance and Administration;
 - the State Treasurer;
 - the Executive Director of the Tennessee Higher Education Commission; and
 - A representative of the private postsecondary education industry named by the Chair of the Commission.



Tuition Guaranty Fund

Rule Chapter 1710-01-02 & Tenn. Code Ann. § 49-7-2018

- The Board is authorized to take any actions necessary to administer the fund, including promulgation of rules, regulations and bylaws.
- All institutions must pay into the Tuition Guaranty Fund for six (6) years following authorization.
- Failure to pay Tuition Guaranty Fund assessments could result in adverse action against your institution including a fine or, if necessary, a recommendation to the Commission to change the status of your institution's authorization.



Tuition Guaranty Fund

Rule Chapter 1710-01-02 & Tenn. Code Ann. § 49-7-2018

Institutions will receive the first of **SIX** notifications concerning the need to contribute to the fund in February of the year following receipt of authorization from THEC. Thus, an institution authorized in **2024 will receive an assessment form in 2025** and five years thereafter and will pay using the below schedule:

Gross Tuition Collected During Assessment Year		Payment into Fund
\$ 1 -	\$ 25,000	200
25,001 -	50,000	250
50,001 -	100,000	300
100,001 -	200,000	400
200,001 -	300,000	500
300,001 -	400,000	600
400,001 -	500,000	700
500,001 -	750,000	1000
750,001 -	1,000,000	1250
1,000,001 -	1,500,000	1500
1,500,001 -	2,000,000	2000
	over 2,000,000	2,000 plus 1/10th of 1% of all gross tuition over 2,000,000



Website and Advertising Compliance

Authorization by the Commission \neq Website Compliance
Check your Website!



Website Compliance

Tenn. Code Ann. § 49-7-2019

- Tenn. Code Ann. § 49-7-2019 requires institutions to post the tuition costs provided to the Commission.
- The tuition costs provided to the Commission should be available along with other information on the applicable program web page.
- Pursuant to Rule 1540-01-02-.03(57), “tuition” means any fee involving the student, actually charged or tracked as a bookkeeping item for instruction provided.



Website Compliance

Tenn. Code Ann. § 49-7-2019

Information related to graduation and job placement – See Tenn. Code Ann. § 49-7-2019 must be on your website. When you receive your first set of rates, you must post this information on your website. It is recommended posting the information on the first page of the website, the first Tennessee-specific webpage, or the webpage for each Tennessee authorized site. Commission staff suggests the following language:

- “In order to view detailed job placement and graduation information on the programs offered by [Name of Institution], please visit <https://www.tn.gov/thec/bureaus/student-aid-and-compliance/postsecondary-state-authorization/authorized-institutions-and-data.html>.”



Website Compliance

Rule 1540-01-02-.20(4)

An authorization statement along with a hyperlink to the THEC's website. See Rule 1540-01-02-.20(4) must be on your website. The authorization statement must be on the institution's home page or Tennessee specific page. **This statement should be placed on your website immediately if not already there.**

- “[Name of Institution] is authorized for operation as a postsecondary educational institution by the Tennessee Higher Education Commission.”
 - The entire statement must be used, have the same size font, and type of print.
 - The reference to the Tennessee Higher Education Commission must be a hyperlink to www.tn.gov/thec/.



Website Compliance

Tenn. Code Ann. § 49-7-144

- Tenn. Code Ann. § 49-7-144 requires an institution to post the transferability of credit statement as written in paragraph (b)(2) of Tenn. Code Ann. § 49-7-144.
- Commission staff recommends posting this statement or a link thereto on the first page of the website, the first Tennessee-specific webpage, or the webpage for each Tennessee authorized site.



Advertising Compliance

Rule 1540-01-02-.20

- This rule applies to all advertisements, including billboards, radio, television, and newspaper advertisements, and advertisements created and purchased by the institution or its agents.
- If your agent takes out an advertisement and it does not comply with .20(7), your institution may be fined.

Rule 1540-01-02-.20(1) states:

“Institutions may reference having authorization in advertising, promotional material, and on letterhead stationery using the following language: “(name of institution) is authorized for operation by the Tennessee Higher Education Commission.” The entire statement **must appear with the same size and type of font** used throughout the statement.” (emphasis added)

Rule 1540-01-02-.20(5) states:

“No statement shall be made that the institution or its courses of instruction have been accredited **unless** the accreditation is identified and is an accreditor recognized by the **U.S. Department of Education.** ” (emphasis added)



Advertising Compliance

Rule 1540-01-02-.20(9)

Rule 1540-01-02-.20(7) states:

“All advertisements seeking prospective students must include and clearly indicate the full and correct name of the institution, the authorized location city, and, if out-of-state, the authorized location state.” (emphasis added)

Rule 1540-01-02-.20(9) states:

“Other than entry level salary data available on a Tennessee or federal government website, no dollar amount will be quoted in any advertisement as representative or indicative of the earning potential of graduates without prior approval by Commission Staff.” (emphasis added)

Rule 1540-01-02-.20(10) states:

“Institutions **shall not** use images of any kind in such a manner as **to convey a false impression** as to the location’s size, importance, equipment, or facilities.” (emphasis added)



Advertising Compliance

Rule 1540-01-02-.20(9)

Rule 1540-01-02-.20(12) states:

“Other than referencing the most recent rates calculated by Commission staff, no institution shall use **job placement percentages or related statistics except by written permission of Commission staff.**” (emphasis added)

Rule 1540-01-02-.20(14) states:

“Promotional materials or agent solicitation practices **must not state or infer** that programs are available on **a free tuition basis unless** the tuition and other fee amount reported to Commission staff is zero (0).” (emphasis added)

NOTE: I have highlighted some of the Rule 1540-01-02-.20 paragraphs. The rule has 18 paragraphs in total. Review the rules thoroughly to ensure your representations, advertisements, and solicitations are compliant.



Forms and Applications



Program Registration Request

Rule 1540-01-02-.07(5)

- An institution must submit a Program Registration Request to offer a **new program**.
- An institution must receive notice that the program meets the minimum standards for registration **prior to offering the program**, which includes advertising for or soliciting enrollment.
- For equipment heavy programs, such as truck driving programs, DPSA will inspect the equipment prior to registering the program.



Program Registration Request

Rule 1540-01-02-.07(5)

- An institution must submit a Program Registration Request under certain circumstances **at least thirty (30) calendar days prior to implementing a revision.** An institution revises a registered program when it:
 - makes a quantifiable change of more than twenty-five percent (25%) in the last twelve (12) months or
 - changes the program delivery mode, name, or credential.
- **In all other instances,** an institution may revise a program at its discretion and report the revisions on the annual Reauthorization Application or Certification of Compliance.



School Personnel Applications

Rule 1540-01-02-.07(7)

- Rule 1540-01-02-.07(7)(a) requires that **Institutional Director** qualifications must be submitted to Commission staff on a School Personnel Application **no later than ten (10) business days after the hire date.**
- Authorized institutions **must provide and maintain qualified faculty and staff** to fulfill the mission of the institution and all obligations to the students. Administrative personnel and instructors shall meet all qualifications listed in Rule 1540-01-02-.16.
- Evidence of education, experience, or training, such as official transcripts, for each personnel **must be maintained on-site at the authorized location.** Institutions must submit a copy of this evidence at any time upon receiving a request from Commission staff.



Surety Bonds and Letters of Credit

- Thirty (30) days prior to the Surety Bond or Letter of Credit “expiration date,” you will receive notice of the need to provide documentation that your surety bond or letter of credit remains effective.
- As to surety bonds (the most common), the required documentation may be in the form of:
 - a verification or continuation certificate from the bond company or
 - a copy or screenshot of an online payment of the premium.
- An invoice or a copy of a check written to the bond company **is not acceptable.**
- Any documentation must indicate the bond number, authorized site address, and the date through which the premium has been paid.
- The required documentation for letters of credit will depend on the letter of credit.



Other Required Forms

- Change of Location – Rule 1540-01-02-.07(6)
 - Your institution may **not** conduct instruction at an unauthorized site. Submit an Application for Change of Institutional Location at least 30 days prior to the scheduled relocation.
 - DPSA must inspect the facilities and equipment.
- Institution Name Change – Rule 1540-01-02-.07(8)
- Change of Ownership – Rule 1540-01-02-.07(4)



Student Files



Student Files

Rule 1540-01-02-.15(5)

Pursuant to Rule 1540-01-02-.15(5), “Institutions **must maintain a file for each prospective student or student enrolled in a program or course for three (3) years after the student’s withdrawal from or completion of the program or course of enrollment.**” The file shall contain at a minimum:

- Initialed Transferability of Credits Disclosure Statement
- Documentation evidencing the basis of admission;
- Signed Pre-Enrollment Checklist;
- Signed Enrollment Agreement;
- Current reconciled account statement; and
- If applicable, documentation exhibiting the institution’s enforcement of its standards related to attendance, academic satisfactory progress, and proper documentation of any leave of absence (LOA) that may affect the student’s progress.



Student Files

Rule 1540-01-02-.15(8)

Other Required Files:

Per Rule 150-01-02-.15(8), related to transcripts and certificates, institutions shall retain student transcripts or certificates for the life of the institution. When we receive notice that an institution is closing, we notify institutions that:

1. transcripts or certificates, as applicable, must be provided electronically using a TIF or PDF file format and with a resolution of at least 300 dpi and
2. file names should include, at a minimum, the student's first name, student's last name, and last 4 digits of the student's social security number.

We suggest you take these instructions into consideration when creating procedures for maintain transcripts at your instiution.



Student Files

Rule 1540-01-02-.18(5)

Other Required Files:

Per Rule 150-01-02-.18(5), related to student level statistical data, the student file shall also contain evidence of placement sufficient for Commission staff to verify placement. This includes placement special circumstances.

As a best practice, you should also keep in the student's file documentation of all withdrawal special circumstances.



Account Statement

Rule 1540-01-02-.15(4)

- Per Rule 1540-01-02-.15(4), institutions **must maintain an Account Statement** for each student. The statement must clearly reflect:
 - The balance due;
 - All charges and payments;
 - The reason for the debit or credit, for example, “Student Cash Payment”; and
 - Tuition charges indicating the period of enrollment for which the student is being charged, for example, “Tuition Charged for 500 Contact Hours.”
 - Ultimately, institutions must charge the registered tuition amount.
 - Rule 1540-01-02-.19(6) and (7) provide that an institution may award a cash discount, scholarships, tuition waivers, or other similar awards. Consult the rule before doing so to ensure your practice is compliant.



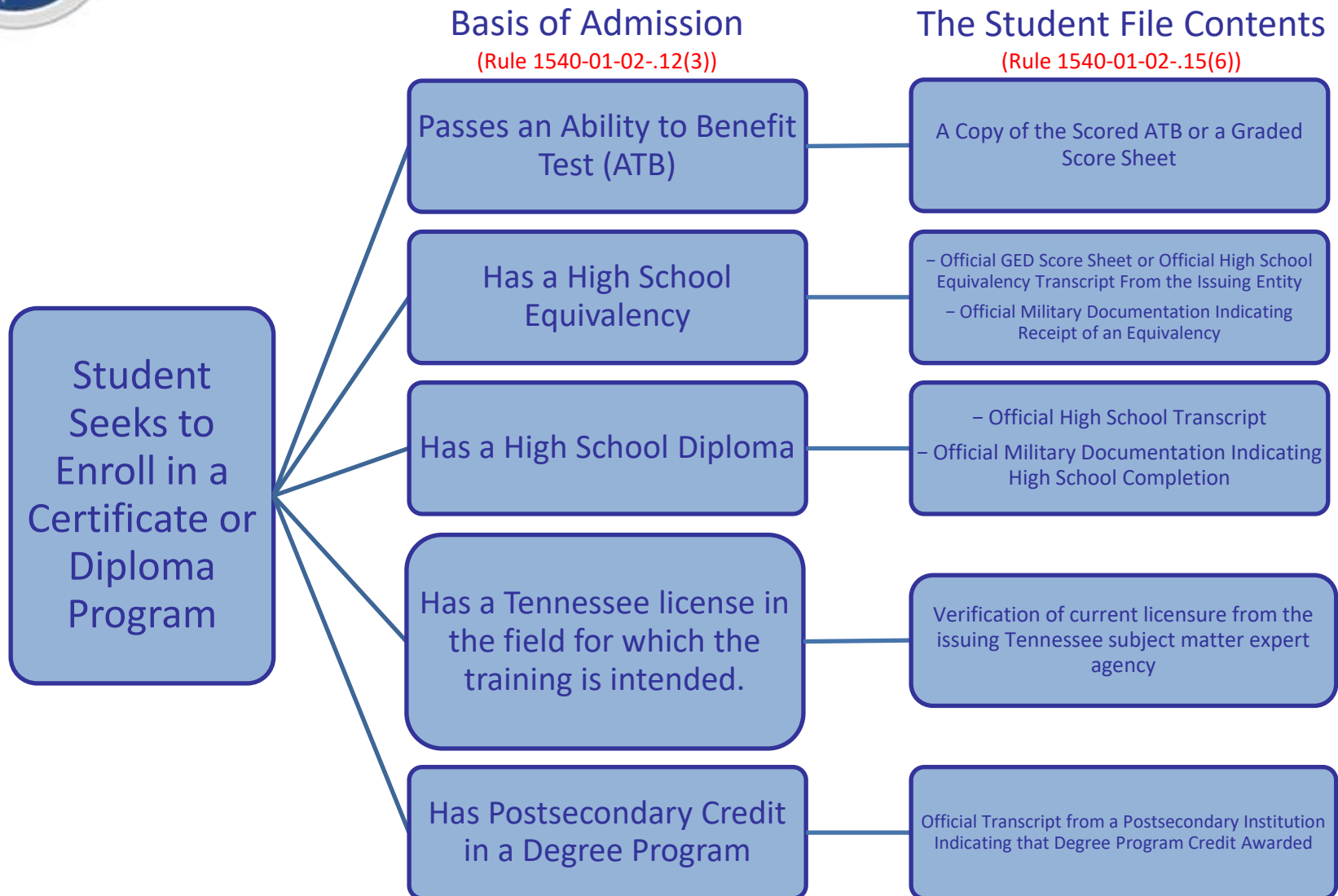
Admission Standards

Rule 1540-01-02-.12

- Each institution is authorized with specific admission standards set by the institution, subject to Rule 1540-01-02-.12.
- Admission standards **must be applied as written.**
- Do not admit students that you know or should know are ineligible for licensure unless you get written acknowledgement from the student.
- Per Rule 1540-01-02-.12(3)(d), an institution may use an ability to benefit test (ATB) that is a standardized test formerly or currently recognized by the U.S. Department of Education.



Student Files





Complaints



Complaints

Rule 1540-01-02-.19(8)

- Sources of complaints:
 - Students
 - Parents
 - Employees
 - Elected Officials
 - Other State Agencies
- THEC is a neutral party in the complaint process. It reviews both sides and renders determinations based on the facts presented.
- Any student who files a complaint or on behalf of whom a complaint is filed must first exhaust the grievance process at the institution.
- Students shall file a complaint within three (3) years of the subject student's withdrawal from or completion of the program or course of enrollment.



Complaint Process

Rule 1540-01-02-.19(8)

When a complainant first contacts THEC by phone, a THEC staff member:

- Documents the call as an **informal** complaint
- Explains the complaint process and applicable statutes and rules
- Suggests that complainant contact the Institutional Director if the complainant has not already done so
- Follows up with email explaining the process for initiating a formal complaint and copy the Institutional Director if the complainant agrees
 - **Opportunity for institutions to resolve the complaint without any further involvement by THEC**

If the complainant does not submit a written complaint within 30 days of the informal complaint, the complaint is closed.



Formal Complaint Process

When a complaint is received in writing, it is considered formal and will be investigated. THEC sends a copy of the complaint to the institution along with a letter requesting a response to specific allegations and documentation to assist with the investigation.

The institution's response to THEC should fully address the allegations and include all documentation requested by THEC.



Formal Complaint Process

The complainant will get an opportunity to reply to the institutional response. Afterwards, THEC may request additional information/documentation from both parties or complete a site visit as part of the investigation process.

THEC will review all information to determine if there were any violations of statutes, rules, or the institution's internal policies.



Formal Complaint Process

Every attempt is made to resolve the dispute between the parties. If no resolution is reached, THEC will issue its written determinations.

If THEC determines that a violation has occurred, the institution is given an opportunity to provide substantial reasons as to why adverse action should not be taken.



Formal Complaint Process

THEC will evaluate the institution's response and take appropriate action, including recommending that the Executive Director assess a fine, changing authorization status, or requiring the institution to issue a refund or take some other action.

If either party is not satisfied with the determination made by THEC, the party may seek further review from the Commission and then through the Uniform Administrative Procedures Act.



Common Issues in Complaints

- Fair Consumer Practices – Rule 1540-01-02-.19
 - Includes violations of institutional policies
- Cancellation and Refund Policy – 1540-01-02-.17
 - Inconsistency in how withdrawal or last date of attendance is recorded
- Personnel and Instructor Qualifications – 1540-01-02-.16
 - Administrative personnel/instructors not approved in timely manner
 - Not evaluated annually by both students and administrators as required by Rule 1540-01-02-.16(7) or evaluations not kept on file
 - Best practice tip: For new instructors conduct an initial evaluations at the conclusion of the first course taught or six months, whichever is shorter.



Commission Staff Contacts

<p>Stephanie Bellard Chase, Ph.D., Associate Executive Director stephanie.bellard@tn.gov</p>	<ul style="list-style-type: none"> • Application Status • Application Due Dates • Financials • Ability to Benefit Test (ATB)
<p>Eboni Lloyd, Assistant Director eboni.lloyd@tn.gov</p>	<ul style="list-style-type: none"> • Reauthorization Applications (RA / OEA) • Certification of Compliance Applications (CCRA / CCOEA)
<p>Kimberly Hodge, Compliance Officer Kimberly.J.Hodge@tn.gov</p>	<ul style="list-style-type: none"> • Program Registration Request (PRR Revisions and New Programs)
<p>Carolyn Qualls, Compliance Officer carolyn.qualls@tn.gov</p>	<ul style="list-style-type: none"> • Institutional Director Applications (School Personnel Applications)
<p>Michael Barcroft, Analyst michael.barcroft@tn.gov</p>	<ul style="list-style-type: none"> • Student Level Statistical Data (SLSD)
<p>Lee Cunningham, THEC Coordinator lee.cunningham@tn.gov</p>	<ul style="list-style-type: none"> • Change of Name (CON) Applications • Change of Location (COL) Applications
<p>Julie Woodruff, Senior Compliance Counsel julie.woodruff@tn.gov</p>	<ul style="list-style-type: none"> • Exemptions • SARA (State Authorization Reciprocity Agreements)
<p>Marcie Mills, Compliance Paralegal marcie.mills@tn.gov</p>	<ul style="list-style-type: none"> • Initial Authorization (Interest in Opening an Institution or a second location) • Complaints • Change of Ownership (COO) • Institution Closing • Bonds



Conclusion

Thank you for your attendance today. Each institution attending this presentation that was on a recent Commission meeting agenda will receive an email by the close of business on February 12, 2024. The email will include an affirmation statement, electronic copy of the rules, and this presentation in PDF Format.

Please complete the affirmation statement and return it to Carolyn Qualls at carolyn.qualls@tn.gov.

A PDF of these slides will also be posted at <https://www.tn.gov/thec/bureaus/student-aid-and-compliance/postsecondary-state-authorization/application-deadlines-and-meeting-dates.html>.