

The Two-Year Rule and Extension for Good Cause

January 2017

U.S. Department of Education regulations require accrediting agencies to require institutions with deficiencies to come into complete compliance within two years, or the agency must act to terminate accreditation.

Department regulations allow an accrediting agency to extend the time an institution has to come into compliance for “good cause.” The ACCJC has submitted and received acceptance of five such “good cause” reasons for extension of the time to complete the work necessary to comply with Eligibility Requirements (for colleges already accredited), Accreditation Standards, and Commission policies.

A Good Cause extension **may** be made if:

1. **Resolution of the identified deficiency reasonably would take more than two years to complete.** In such situations, the Commission will monitor the institution’s progress and find it satisfactory. For example, an institution may need more than two years to address a decline in fiscal reserves, and its consequent impact on fiscal stability, by restoring reserves, building enrollments to gain more revenues, arranging a sale of the institution, etc.
2. **It is necessary to provide time for an institution to resolve a deficiency through necessary sequential steps mandated by other controlling agencies.** For example, an institution that needs to build new facilities may be required to seek state approval for facilities development before building design by an architect, both necessary before building can commence. This process could take more than two years.
3. **It is necessary to provide reasonable time for an institution that has indicated it has retained or had imposed outside, credible third-parties as consultants or aides who have the capacity and authority to resolve deficiencies.** For example, an institution may seek the assistance of an auditing firm or a state controller to assist in resolution of fiscal matters, or may seek a State Monitor to guide an executive or governing board in better practice.
4. **It is necessary to provide reasonable time as an institution waits for an outside agency or organization to resolve matters** that are affecting an institution’s compliance with Eligibility Requirements, Accreditation Standards, and Commission policies. For example, a federal college might have to wait for a federal agency to take action on some specific aspect of operations in order to resolve a deficiency; in some cases, an institution might have to await resolution of legal issues in order to take necessary steps to resolve deficiencies.
5. **The institution has completed a great amount of work on needed changes, and only a small number of issues remain.** The Commission believes additional time is reasonable, and grants no more than one year to complete the work. For example, an institution has come to an agreement with the bargaining unit which will fulfill

Commission requirements. Additional time is required to develop and implement policies, procedures, timelines, etc. required to meet Standard requirements.

In all cases where the Commission decides to extend the time given an institution, the Commission's action must establish an expected completion date. The notation of the extension and the completion date will be identified in the Commission's action letter. A Commission decision to extend the time permitted must weigh the consequences for students and the public of such an extension.

The Commission has informed the Department of Education that **it will not extend the time necessary to correct deficiencies that have substantial negative impact on educational quality or institutional integrity.** In all such actions, regardless of the cause of the deficiency or the means of addressing it, institutions will be given no more than two years (and reasonably might be given much less) to resolve such deficiencies.