



SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION

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MEMORANDUM

To: Mr. R. Austin Gilbert, Jr., Chairman, and Members,
Commission on Higher Education

From: Ms. Dianne Chinnes, Chairman *DC/gmr*
Committee on Academic Affairs and Licensing

Proposed Changes in Law and Regulations
Governing Nonpublic Postsecondary Institutions

The licensing staff has drafted changes to the law and regulations under which the Commission licenses nonpublic postsecondary institutions that operate or solicit in South Carolina. We are enclosing an outline of the proposed changes and a copy of all of the sections of the law and regulations in which we are proposing changes. On September 17, 1999, a copy of the draft changes was mailed to all licensed institutions. Institution officials were invited to submit comments to the staff. The comments submitted were the basis upon which the staff made additional revisions, and these comments are available from the staff should you wish to review them.

The proposed changes are primarily refinements based upon experience gained since the legislation and regulations were enacted in 1992 and 1993 respectively. The Commission staff receives many inquiries about institutions that are exempt from the Commission's oversight and the purposes and meaning of licensure, certification, and accreditation. Some of the proposed changes are intended to restrict claims that licensed and exempt institutions may make. Many changes address academic issues and are proposed to define more clearly an academic degree, to further prescribe use of the terms "college" and "university," to provide general parameters for distance education, and to prohibit misleading claims of recognition by the Commission on Higher Education. The most significant of the proposed changes are:

- ❖ Section 59-58-20(4) defines a "nonpublic education institution" as "any educational entity operating or soliciting in South Carolina." We propose to add a definition for "operating and soliciting" to describe explicitly activities that create a physical presence and, therefore, bring those activities under the authority of the Commission.

- ❖ Section 59-58-30 Exclusions, paragraph (4) exempts “institutions whose sole purpose is religious or theological training.” We propose to add a definition for “religious or theological training” to Section 59-58-20 to specify that the exempt institutions may award only non-academic credentials.
- ❖ The proposed amendment to Section 59-58-60 (Approval of name) will prohibit the use of the terms “college” or “university” if such use falsely implies that the entity is an institution of higher learning. This section currently applies only to institutions that are required to be licensed under the Commission’s authority as established by the Act.
- ❖ The addition of Section 62-6.1 to Regulation 62-6 (Licensing Criteria) will require that licensed institutions comply with the policies, guidelines, and procedures regarding distance education adopted by the Commission. Those currently include the SREB best practices and principles documents and the CHE guidelines. Under the general parameters of the proposed language, the requirements can be refined as distance education and related policy evolve.
- ❖ The language of Regulation 62-10 (Program and Instructor Requirements for Diploma Programs) is that 80 percent of a diploma program be occupational-specific. The intent was that the remaining 20 percent include general education. The proposed change specifies that diploma programs must include 40 clock hours (or equivalent credit hours) in English, math, and social or behavior science.
- ❖ The proposed change in Regulation 62-11 (Program and Instructor Requirements for Associate Degree Programs) imitates the general education requirements of the Southern Association of Colleges and Schools for associate degree programs.
- ❖ The proposed change in Regulation 62-12 (Program and Instructor Requirements for Baccalaureate Degree Programs) imitates the general education requirements of the Southern Association of Colleges and Schools for baccalaureate degree programs.

The primary purpose of the licensing of nonpublic institutions is consumer protection, and an important dimension of that protection lies in ensuring that appropriate academic standards and safeguards are in place. Unfortunately, abuses in the higher education arena do occur; the most common victims are students who invest their time and money in credentials of questionable value. The less obvious victims are legitimate institutions, “consumers” (students, clients, patients, employers) of the owners of substandard credentials, and society in general as it loses trust in the education system. The proposed changes in the law and regulations will reinforce the mission of the Commission to promote quality education.

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Outline of Proposed Changes to Law and Regulations Governing Nonpublic Postsecondary Institutions

South Carolina Code of Laws, Title 59, Chapter 58, Section:

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| 20. Definitions. | (14) Expand definition of "probation." |
| | (17) Add a definition of "operating or soliciting." |
| | (18) Add a definition of "religious or theological training." |
| 30. Exclusions. | (9) Qualify exemption for employer sponsored training. |
| | (10) Qualify exemption for training professional organization sponsored training. |
| | (12) Add exemption for out-of-state institutions that collaborate with public South Carolina institutions. |
| | (13) Add exemption for programs and courses on federal military installations. |
| 50. Requirements. | (F) Specify authority to license for less than 12 months. |
| 60. Name. | Further restrict use of terms "college" and "university". |
| 70. Fees. | Add penalty for failure to provide information or repeat violations. |
| 110. Denial, Revocation. | Add authority to deny or revoke licensure for habitual, willful violations. |

Commission on Higher Education Regulations, Chapter 62, Section:

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|-------------------------|--|
| 2. Definitions | Add "Operating and Soliciting" and "Religious or theological training" |
| 4. Licensing | E. Add provision that the Commission may not license new activities if the new activities threaten the institution's financial stability. |
| 6. Criteria | C. Refine requirement for access to sufficient learning resources and define formal agreements. |
| | J. (4) Add provision that an institution's owner or director cannot be a plaintiff or defendant in litigation which could potentially affect the institution's ability to continue operation. |
| 6.1. Distance Education | Add general requirement that programs offered by distance education must meet the licensing requirements and the policies, guidelines, and procedures regarding distance education adopted by the Commission. |
| 8. Financial. | Add provision that each institution must possess adequate liquid assets to make potential refunds and pay expenses in a timely fashion, and for initial licensure liquid assets for start-up costs, expenses, and projected tuition income for the first term of enrollment. |
| | A. Expand adequate financial records requirement to include specifically proper management, controls, and business practices. |
| | H. Add to the provision that applies in instances of dismal financial condition that the Commission may require escrow account deposits of unearned tuition. |
| 10. Diploma. | A. Add general education requirements. |
| | D. Add provision that notwithstanding the requirements of Section 62-10, the Commission may license out-of-state institutions that have recognized accreditation to recruit in South Carolina. |
| 11. Associate Degree. | B. Specify general education course requirements. |
| | J. Add provision that notwithstanding the requirements of Section 62-11, the Commission may license out-of-state institutions that have recognized accreditation to recruit in South Carolina. |
| 12. Bachelor's Degree. | A. Specify general education course requirements. |
| 14. Library. | Refine provision for learning resources. |
| 16. Catalog. | H. Add provision to prohibit exempt institutions from using misleading language |

referring to approval, recognition, authority, licensure, accreditation, or oversight.

- I. Expand references to accreditation to include program accreditation.
 - K. Add requirements and procedures for obtaining any licensure, registration, or certification required or advantageous for the occupational field.
20. Student Records. Add requirement that institutions store official student academic records in a secure vault or fireproof cabinet or store duplicates in a different building or at an off-site location, have adequate security measures in place to protect and back up electronically stored records, and have retention, disposal, and information-release policies.
- B. Add 30 years from graduation or termination (or a shorter time as the Commission deems appropriate for programs or courses for which it is unlikely that students will need documentation of attendance) as adequate minimum time for maintenance of "permanent" records.
 - D. Add provision that institutions must have in place at all times the capability to transfer academic records (easily accessible in format and system) for former and current students.
23. Fees.
- B. (1) Remove limit on late fee; add authority to reactivate late fee for incomplete applications for renewal of licenses.
(2) Add authority to waive or reduce late fee in case of mitigating circumstances.
 - I. Add authority to assess a fine for failure to respond in a timely manner to a request for information or for repeat violations involving deceptive trade or sales practices or advertising.
25. Sales Practices.
- K. Add provision to prohibit exempt institutions from claiming the Commission's oversight.
 - M. Add provision that institutional personnel may not discredit other schools or solicit any student to leave another institution.
26. Advertising.
- D. Add provision that courses offered by distance education must clearly describe the method of delivery.
 - K. Add requirements for information provided through the Internet or other electronic media.
27. Complaints.
- B. Add provision that notwithstanding the institution's refund policy, the Commission may require an institution to make full or partial refund of tuition or other fees.
28. Revoking License.
- B. Add provision to probation authority that the Commission may require that an institution delay a new class term.

SECTION 59-58-20. Definitions.

As used in this Chapter:

- (1) "Commission" means the South Carolina Commission on Higher Education.
- (2) "Agency" means the South Carolina Commission on Higher Education.
- (3) "Commissioner" means the Chief Executive Officer of the South Carolina Commission on Higher Education, or a person designated by the Commissioner to administer the provisions of this Chapter.
- (4) "Nonpublic educational institution" includes, but is not limited to, any educational entity operating or soliciting in South Carolina and is not owned or operated in whole or in part by the State of South Carolina offering resident or correspondence courses beyond the secondary school level to students upon the payment of tuition or fees.
- (5) "Program" means an organized unit of subject matter in which instruction is offered within a given time and for which credit is given toward completion of training toward a predetermined occupational or academic credential.
- (6) "Degree" includes, but is not limited to, any academic credential or designation not less than, but including associate, bachelor, master, doctor or fellow, whether earned or honorary, which signifies, purports or is generally taken to signify partial or satisfactory completion of the requirements of an academic, occupational, business or other program of study beyond the secondary school level.
- (7) "Occupational objective" includes a certificate or diploma without any academic designation that may be used to signify partial or satisfactory completion of educational training oriented toward a specific occupation or skill taught in a course or program of study beyond the secondary school level.
- (8) "Degree granting institution" includes, but is not limited to, any nonpublic educational institution awarding, selling, conferring, bestowing, or giving, or purporting to award, sell, confer, bestow or give a degree as defined in this Chapter.
- (9) "License" means an agency permit, approval or some similar form of written permission.
- (10) "Salesman," "agent," or "solicitor" means any person who, for remuneration, enrolls or seeks to enroll, away from the nonpublic educational institution's premises, a resident of South Carolina in courses or programs of instruction or study offered by the nonpublic educational institution. Administrators and

faculty who make informational public appearances, but whose primary task does not include service as a paid recruiter, are exempted from this definition.

- (11) "Agent permit" means a nontransferable written authorization issued to a natural person, pursuant to the provisions of this Chapter, to solicit persons residing in South Carolina to enroll in courses or programs of instruction offered by nonpublic educational institutions.
- (12) "Revoke" means to rescind, cancel or withdraw. Upon revocation of an institution's license, the institution must immediately cease operation.
- (13) "Suspend" means to stop. During a period of suspension, the institution must immediately cease operation for a specified period.
- (14) "Probation" means a specified period during which an institution cannot enroll, solicit or recruit new students; the Commission may also require that an institution delay a new class term.
- (15) "Person" means any individual, firm, partnership, association, organization, corporation, trust or other legal entity or combination of the above.
- (16) "Entity" includes, but is not limited to, any person or group of persons.
- (17) "Operating or soliciting" refers to having actual presence within the State of South Carolina and includes for the purposes of application of this Act an instructional site within South Carolina whether owned, leased, rented, or provided gratis; instruction (theory or clinical) within or originating from South Carolina utilizing teachers, trainers, counselors, advisors, sponsors, or mentors; an agent, recruiter, in-state liaison personnel, institution, or business that solicits for enrollment or credits or for the award of an educational credential; advertising, promotional material, or public solicitation in any form that targets South Carolina residents through distribution or advertising in the state.
- (18) "Religious or theological training" is the awarding of non-academic degrees, diplomas, or certificates with a specific theological, biblical, divinity, or other religious designation.

SECTION 59-58-30. Exclusions.

The definition of "nonpublic educational institution" does not include the following:

- (1) Any degree-granting school, institute, college, junior college, university or entity that was chartered by the Secretary of State before 1953;
- (2) Institutions that:
 - (a) are independent or church-related,
 - (b) are two or four-year degree granting,
 - (c) have their primary emphasis on liberal arts,
 - (d) are accredited by the Southern Association of Colleges and Schools,
 - (e) are nonprofit, and
 - (f) have their primary place of business in South Carolina;
- (3) Institutions offering courses of instruction only at the kindergarten through high school level;
- (4) Institutions whose sole purpose is religious or theological training
- (5) Institutions offering noncredit bearing courses exclusively for avocational purposes, as determined by the Commissioner;
- (6) Institutions directly supported, entirely or partly, by the State of South Carolina;
- (7) Aviation institutions or instructors that offer flight training with the statement or implication that their primary objective is to train persons for personal or recreational purposes and not for gainful employment;
- (8) Courses or programs regulated and licensed or approved under an occupational licensing law of the State of South Carolina;
- (9) Noncredit bearing courses or programs sponsored by employers solely for the training of their employees if:
 - (a) the training is conducted by an employee of the sponsoring employer or if the sponsoring employer contracts with a provider to conduct the training.

- (b) the sponsoring employer bears the expense of providing the training (pays the training provider directly, not reimburses the employee after the employee pays), and
- (c) the sponsoring employer allows employees to attend the training on company time if the training takes place during regular work hours;
- (10) Noncredit bearing courses or programs that do not prepare or qualify individuals for employment in any occupation or trade sponsored by recognized trade, business, or professional organizations solely for the instruction of their members;
- (11) Institutions that offer only noncredit bearing intensive review courses such as those designed to prepare students for certified public accountancy tests, law school aptitude tests, bar examinations, medical college admissions tests, and other license preparation tests.
- (12) Out-of-state institutions that formally collaborate with public South Carolina institutions in offering distance education coursework in South Carolina and where the South Carolina institution offers the degree.
- (13) Institutions that offer programs and courses on federal military installations.

SECTION 59-58-50.**License requirements.**

- (A) No nonpublic educational institution established in South Carolina or offering a course or program in South Carolina has the authority to operate, to solicit students for enrollment, or to confer degrees or other educational credentials unless a license is first secured from the Commission. The Commission shall approve through licensure the location of and programs offered by the institution. The Commission shall promulgate regulations to amend a license for and changes in location and for additional or amended courses or programs. The Commission shall not license any institution to offer a degree if the Commission determines that the degree adversely affects the goals of the Commission's plan to improve access and equity minority affairs programs in public institutions of higher education. The Commission shall promulgate regulations to make the determination.
- (B) After a license is issued, it is the institution's responsibility to notify immediately the Commissioner of significant changes in the course or program offerings, facilities, finances, or personnel.
- (C) In the event of the sale of an institution, the license shall not be transferable. The new owner must comply with all the requirements of this Chapter.
- (D) Applications for licenses shall be filed in the manner prescribed by the Commission. The applications are to be signed by the applicants and must contain that information as may be required.
- (E) Licenses are restricted to the courses or programs of instruction specifically indicated on the license. Additional courses or programs of instruction may be approved during the effective period of the license if a supplementary approval application is submitted and the license is amended.
- (F) Licenses for nondegree-granting institutions will normally be granted for twelve months, renewable annually from date of issue, or other date in excess of twelve months set by the commission to stagger the renewal dates of all institutions. The Commission may issue licenses to non-degree granting institutions for less than twelve months as circumstances justify. Licenses and renewal of licenses for degree-granting institutions may be granted for periods not to exceed five years. Renewal is contingent upon filing appropriate applications for renewal with the Commissioner. The institution and its courses or programs, facilities, faculty, and all other operations must meet the requirements for an original license at the effective date of the renewal.

SECTION 59-58-60. Approval of name.

No person, school, board, association, corporation, business, institution, or other entity may use the term "college" or "university" or use any other name, title, literature, catalogs, pamphlets or descriptive matter which implies that it is an institution of higher learning or that it may grant educational credentials or credit or academic or professional degrees, except as follows:

- (A) An institution the Commission licenses may use the term "college" in its name only if it offers at least one program leading to an associate or higher degree. ~~An institution may use the term "college" in its name whether or not it offers a program leading to a degree if it was organized, operating and using such term in its name on or before the enactment of this Chapter, and if it meets the other policies and standards for licensing established by the Commission. Such institution may continue to use "college" in its name for three (3) years after the enactment of this Chapter.~~
- (B) An institution may use the term "university" in its name if the institution is:
 - (1) Operating and licensed in South Carolina and using the term "university" in its name before enactment of this Chapter, or
 - (2) An out-of-state institution that is chartered or licensed in its home state using the term "university" in its name.

Any other institution must petition the Commission for approval to use the term "university" in its name.

SECTION 59-58-70. Fees.

The Commission may set reasonable fees for administration of this Chapter, including, but not limited to, licenses; agent permits; renewals; penalties for late renewals, for failure to provide information as required, or for repeat violations; consultants; complaint investigations; and supplementary applications for amendments of the license.

SECTION 59-58-100. Contracts void.

All enrollment agreements, contracts, and promissory notes or other evidence of indebtedness entered into by nonpublic educational institutions with students or prospective students is are void unless the institution holds a valid license, and the agent enrolling the student holds a valid permit as required by this Chapter.

SECTION 59-58-110. Denial, revocation or suspension of license or permit; probation.

- (A) Before a final proceeding to deny, revoke or suspend a license or permit, the Commission shall give to the person to be affected by the decision notice of facts and conduct which warrant the intended action and an opportunity to show compliance with the minimum requirements for a license or permit. If the Commission determines that the violations are habitual, willful, and therefore likely to reoccur, the Commission may proceed with denial or revocation though the institution complies or agrees to comply with the standards for licensure.
- (B) In any final agency proceeding to deny a license or permit to any person properly applying for one, or to revoke or suspend the license or permit of any licensee or permit holder, the Commission shall give the person to be affected by the intended action notice and an opportunity for a hearing as provided in the Administrative Procedures Act.
- (C) The Commissioner may give the institution a period of probation if in the Commissioner's judgment any unsatisfactory condition can reasonably be corrected within such time.

62-2. Definitions.

As used in these regulations, the terms "Commission," "Agency," "Commissioner," "Nonpublic educational institution," "Program," "Degree," "Occupational objective," "Degree-granting institution," "License," "Salesman," "Agent," "Solicitor," "Agent permit," "Revoke," "Suspend," "Probation," "Person," and "Entity," "Operating or Soliciting," and "religious or theological training" are defined by Section 59-58-20, South Carolina Code of Laws, 1976, as amended.

The authority of the Commission under these regulations may be delegated by the Commission to the Commissioner or other designee.

62-4. Institutional licensing.

The following specific regulations apply to nonpublic educational institutional licensing:

- A. An institution must not begin operation until a license has been granted.
- B. Students must not be solicited until an institution has been licensed.
- C. A license is not transferable. In the event of a change in ownership of a licensed institution, the new owner or governing body must secure a license.
- D. A license may be renewed if the institution submits its license renewal application and the required documentation in compliance with procedures to be provided by the Commission. The application and documentation must be submitted at least one-hundred twenty days before the expiration of the current license for degree-granting institutions, and forty-five days before expiration of the current license for nondegree-granting institutions.
- E. A license will be issued for each location and shall specify the courses or programs that the institution is authorized to offer, the sites at which these courses or programs may be offered, and the certificates, diplomas, and degrees that the institution is authorized to award. An institution that seeks to offer unauthorized programs, begin a new program, add a new site, or award a certificate, diploma, or degree for which a license has not been issued must file for amendment to its license. The Commission will not license new programs and/or new sites if the new activities may threaten the institution's financial stability or threaten its ability to continue operation or to make timely refunds. In the absence of extenuating circumstances and resources, the Commission will not license additional activities at a nondegree-granting institution until the institution has at least taught a complete program cycle or within six months of initial licensure or licensure of an additional site.
- F. Each institution shall prominently display its license at its place of business.
- G. No institution shall divide or structure a program of instruction or educational service to avoid the application of any provision of these regulations.
- H. An entity that offers flight training with the statement or implication that their primary objective is to train persons for gainful employment must apply for a license.
- I. The Commission may, as necessary, investigate any entity subject to, or believed by the Commission to be subject to, the jurisdiction of Chapter 58 of Title 59, South Carolina Code of Laws, 1976, as amended. Such investigation may include the physical inspection of the institution's facilities and records.

62-6. Licensing Criteria.

The Commission may license the institution after due investigation has revealed that the institution and its programs have met the following criteria:

- A. The course, program, curriculum, and instruction are of quality, content, and length as may reasonably and adequately achieve the stated objective for which the course, program, curriculum or instruction is offered. For specific program length and instructor qualifications, see Regulations 62- 9 through 62-13.
- B. There is in the institution adequate space, equipment, instructional material, and appropriately qualified instructional personnel to provide training and education of good quality. The student-teacher ratio shall be reasonable at all times in keeping with generally accepted teaching modes for the subject matter. Skill training requires more attention, and thereby requires smaller classes.
- C. The institution owns or makes available sufficient learning resources or, through formal agreements with institutional or other (where adequate) libraries to which students have access, ensures the provision of and access to adequate learning resources and services required to support the courses, programs and degrees offered. Formal agreements are defined and understood as written agreements in which each of the parties states clearly the resources and services it is willing and able to provide. Formal agreements shall be regularly reviewed and reaffirmed by participating parties.
- D. A procedure exists for maintaining written records of the previous education and training of the applicant student clearly showing that appropriate credit is given by the institution, shortening the education and training period where warranted, and notifying the student.
- E. The institution has developed satisfactory course and program outline(s); a schedule of tuition, fees, other charges and refund policy; attendance policy; grading policy including a policy for incomplete grades; rules of operation and conduct; and a policy for handling student complaints in compliance with Regulation 62-27.
- F. The institution must award the student an appropriate certificate, diploma or degree showing satisfactory completion of the course, program, or degree.
- G. Adequate records as prescribed by the Commission are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.

- H. The institution complies with all local, county, and state regulations, such as fire, building, and sanitation codes. The Commission may require evidence of such compliance.
- I. The institution is financially sound and can fulfill its commitments for education or training.
- J. The institution's owners and directors are appropriately experienced and educated and are of good reputation and character. A person is considered to be of good reputation if:
- (1) ~~There are~~ person has no felony convictions related to the operation of a school, and the person has been rehabilitated from any other felony convictions;
 - (2) ~~There are~~ person has no convictions involving crimes of moral turpitude;
 - (3) Within the last ten years, the person has never been successfully sued for fraud or deceptive trade practice;
 - (4) The person is not a plaintiff or defendant in litigation which could potentially affect the institution's ability to continue operation;
 - (45) The person does not own a school currently violating legal requirements; has never owned a school with habitual violations; or has never owned a school that closed with violations including, but not limited to, unpaid refunds; or
 - (56) The person has not knowingly falsified or withheld information from representatives of the Commission.
- K. The institution has, maintains, and publishes in its catalog, bulletin or brochure and in its enrollment contract the proper refund policy that complies with Regulation 62-18.
- L. The institution does not use erroneous or misleading advertising by actual statement, omission, or intimation.
- M. The institution does not use a name that is misleading, the same as or similar to that of an existing institution.
- N. The institution publishes and enforces admission requirements, if any, for each certificate, diploma or degree offered by the institution.

- O. The institution does not owe a penalty under Chapter 58 of Title 59, South Carolina Code of Laws, 1976.
- P. The institution provides to each student before enrollment a catalog, bulletin or brochure meeting the requirements of Regulation 62-16.
- Q. Any student living quarters owned, maintained or approved by the institution are appropriate, safe and adequate.
- R. All new programs and all major program revisions have been reviewed and approved by the Commission before the proposed date of implementation.
- S. The institution shall comply with such additional criteria as may be required by the Commission.

62-6.1. Distance Education.

Programs offered by distance education must meet the licensing requirements of the Nonpublic Postsecondary Institution License Act, this Chapter, and policies, guidelines, and procedures regarding distance education adopted by the Commission.

62-8. Financial Resources.

The adequacy of the financial resources of an institution shall be judged in relation to the basic purpose of the institution, the scope of its program(s), and the number of current or anticipated students. These resources shall be sufficient to show that the institution possesses adequate liquid assets to make potential refunds to students and to pay expenses in a timely fashion and can maintain continuity for an extended period. Evidence of adequate liquid assets for institutions applying for initial licensure may be in cash or other assets that can be readily converted into cash to buy goods and services or to satisfy obligations in an amount equal to start-up costs, expenses, and projected tuition income for the first term of enrollment. The financial management practices of the institution shall conform to the following standards:

- A. Institutions shall maintain adequate financial records and exercise proper management, financial controls, and business practices.
- B. All institutions must submit financial statements. If the statements are internally generated (not compiled by an independent certified public accountant or audited), a copy of the most recent income tax return must also be submitted. Accounting statements must be accrual. Institutions required to submit audited financial statements to the United States Department of Education must submit a copy of the statements to the Commission.
- C. "Liabilities" shall include unearned tuition. "Current assets" shall not include any of the following:
 - (1) Intangible assets, including goodwill, going concern value, organization expense, start-up costs, long-term repayment of deferred charges, and non-returnable deposits, or
 - (2) State or federal grant funds that are not the property of the institution but are for future disbursement for the benefit of students.
- D. Adequate insurance shall be carried to protect the institution's financial interests. The amount of insurance shall be sufficient to maintain the solvency of the institution in case of loss by fire or other causes, to protect the institution in instances of personal and public liability, and to assure continuity of the operation of the institution.
- E. Degree-granting institutions shall maintain a sound plan for long-range financial development. The plan must be in writing and available for review.
- F. Degree-granting institution's business and financial management shall be centralized under a qualified and bonded business officer responsible to the chief executive officer and charged with the supervision of the budget.

- G. If the Commission determines that an institution is not financially sound, the Commission may, under terms and conditions prescribed by the Commission, require the institution to submit for its latest complete fiscal year and its current fiscal year, the following:
- (1) A financial audit of the institution conducted by a licensed certified public accountant, following generally accepted auditing standards, which provides a detailed and accurate picture of the financial status of the institution since the preceding audit. The audit shall be an unqualified audit. For management issues raised by an audit, the latest audit shall show resolution of exceptions noted in the previous audit.
 - (2) The institution's financial plan for establishing financial responsibility.
 - (3) Any other information requested by the Commission.
- H. If the Commission believes that the financial condition of an institution has deteriorated to the detriment of its students, the Commission may, upon thirty days notice, require the submission of monthly operating statements and/or current financial information including proof that an escrow account contains cash deposits of unearned tuition.
- I. During the period of licensure, the method of computing financial statements shall not be changed without prior approval of the Commission.
- J. This regulation shall not prevent the Commission from taking any other actions authorized under these regulations.

62-10. Program and Instructor Requirements for Diploma Programs.

- A. Diploma programs typically shall range in length from more than six hundred clock hours but less than one thousand five hundred clock hours, more than forty but less than ninety quarter credit hours, or more than twenty-seven but less than sixty semester credit hours. Generally, at least eighty percent of the program shall be in the technical courses prescribed by the program's objectives. Diploma programs must include 40 clock hours (or equivalent credit hours) in each of the following areas: postsecondary English, math, and social or behavioral science for a total of 120 clock hours (or equivalent credit hours).
- B. Diploma program instructors must:
- (1) have appropriate academic preparation or
 - (2) have a high school diploma or GED, and
 - (3) have completed a training or degree program in the applicable occupational area, and
 - (4) have a minimum of two years of practical experience in the occupation or subject or the equivalent, and
 - (5) have training to teach, and
 - (6) demonstrate up-to-date knowledge and continuing study of the particular subject field.
- C. Instructors assigned to teach general education courses in a diploma program shall hold a bachelor's degree in the subject matter or have a bachelor's degree with a minimum of eighteen semester hours of courses in the discipline. Exceptions to academic preparation may be made with the consent of the Commission.
- D. Notwithstanding the requirements of this section, the Commission may license out-of-state institutions accredited by a recognized accrediting agency to recruit in South Carolina.

62-11. Program and Instructor Requirements for Associate Degree Programs.

- A. Associate degree programs are lower-division college programs which typically consist of courses that full-time students may complete in a minimum of two academic years, i.e., six to eight academic quarters or four academic semesters.
- B. The curriculum shall consist of at least ninety quarter hours or sixty semester hours and, except for a highly specialized curriculum, a maximum generally of one hundred ten quarter credit hours or seventy-three semester credit hours of instruction. The curriculum must include a minimum of twenty-one semester hours or equivalent in general education courses to include at least one (three semester-hour) course in each of the following areas: the humanities/fine arts, the social/behavioral sciences, and the natural sciences/mathematics. The curriculum must provide components designed to ensure competence in reading, writing, oral communication, fundamental mathematical skills, and basic use of computers.
- C. The Associate in Arts and Associate in Science degrees primarily prepare the student to transfer to an upper-division baccalaureate degree program. To qualify as a transfer program, a minimum of sixty percent of credit hours required for completion of that program shall consist of college-level courses in the arts and sciences.
 - ~~(1) Academic degrees must include at least twenty-two and one-half quarter hours or fifteen semester hours of general education courses;~~
 - ~~(2)~~
- D. Occupational degrees must include at least fifty percent of quarter or semester hours of related technical course instruction and a minimum of six semester hours or nine quarter hours in applied/related education courses. General education courses may be offered as desired.
- DE. Associate degree programs designed primarily for immediate employment should be designated as an Associate in Applied Science degree, or other appropriate title, and identified with a specialty designation. This identification of a specialty or major implies relevant preparation for employment in a specific area of work (e.g., Associate in Applied Science, Computer Technology).
- EF. Remedial/developmental/deficiency/refresher courses shall not be credited toward a degree.
- FG. Faculty members who teach general education courses (humanities/fine arts, social/behavioral sciences and natural sciences/mathematics) or professional,

occupational, and technical courses designed for college transfer must have completed at least eighteen undergraduate semester hours in the teaching discipline and hold at least a bachelor's degree. Exceptions to academic preparation may be made with the consent of the Commission.

- GH. Faculty members who teach courses in professional, occupational, and technical areas that do not usually result in college transfer or in the continuation of students in senior institutions, must possess appropriate academic preparation or academic preparation coupled with work experience. The minimum academic degree for faculty teaching in professional, occupational and technical areas must be in a related field and at the same level at which the faculty member is teaching. Exceptions to academic preparation may be made with the consent of the Commission.
- HI. All faculty degrees must be from an institution that is accredited at the time awarded by an accrediting body recognized by the U.S. Department of Education ~~or the Council on Postsecondary Accreditation (COPA)~~ unless an exception is granted by the Commission.
- J. Notwithstanding the above requirements, the Commission may license out-of-state institutions accredited by a recognized accrediting agency to recruit in South Carolina.

62-12. Program and Instructor Requirements for Baccalaureate Degree Programs.

- A. Baccalaureate degree programs typically consist of technical and general education courses in which full-time students may complete their requirements in a minimum of four academic years, twelve academic quarters or eight academic semesters. Each educational program leading to a baccalaureate degree normally has courses totaling a minimum of one-hundred eighty quarter credit hours or one-hundred twenty semester credit hours. The curriculum must include a minimum of thirty semester hours or equivalent in general education courses to include at least one (three semester-hour) course in each of the following areas: the humanities/fine arts, the social/behavioral sciences, and the natural sciences/mathematics. The curriculum must provide components designed to ensure competence in reading, writing, oral communication, fundamental mathematical skills, and basic use of computers.
- B. Faculty members who teach lower-division courses must meet the requirements specified in Regulation 62-11.
- C. There should be an appropriate number of faculty members who hold terminal degrees, usually an earned doctorate, especially department chairpersons; all others who teach upper-division courses should hold master's degrees with at least eighteen graduate semester hours in the teaching discipline, or a master's degree with a major in the teaching discipline. In exceptional cases, outstanding professional experience and demonstrated contributions to the teaching discipline may be presented instead of formal academic preparation. Such exceptions must be justified by the institution on an individual basis.
- D. Degrees must be from an institution that is accredited at the time awarded by an accrediting body recognized by the U.S. Department of Education, Council on Postsecondary Accreditation (COPA).

62-14. Library

The institution shall maintain or ensure via current and formal written agreements with other libraries or from other resources that students have adequate access to a library with a collection, staff, services, equipment, and facilities that are adequate and appropriate for the purpose and enrollment of the institution. Copies of objectives, policies, and contractual agreements with other libraries shall be available in writing. Institutions offering graduate work shall provide library resources that include basic reference and bibliographic works in each field where work is offered and the major journal and serial sets for maintaining currency in each discipline.

62-16. Catalog/Bulletin/Brochure Requirements.

Each institution shall provide students, prospective students, and other interested persons a catalog, bulletin or brochure containing, as a minimum, the following:

- A. Name, address and telephone number of the institution.
- B. Date of publication and volume number.
- C. Table of contents, if justified by the length of the publication.
- D. Names of owners and officers, including any governing boards.
- E. The institution's statement of purpose.
- F. A brief description of the institution's physical facilities, equipment to be used in class, and the maximum or usual class size.
- G. A realistic description of student living quarters if owned, maintained or approved by the institution, and full disclosure of conditions and fees.
- H. A statement in the catalog, bulletin or brochure to read, "Licensed by the South Carolina Commission on Higher Education" and the Commission's mailing address and telephone number. An institution exempt from the Commission's oversight may not claim that it is licensed by the Commission or under authority of the Nonpublic Postsecondary Institution License Act. An exempt institution may not claim that the Commission recognizes it, grants it authority to operate, or use any other misleading language referring to approval, recognition, authority, licensure, accreditation, or oversight.
- I. If the institution is accredited or if any of its programs are accredited and the institution makes reference to accreditation in its publications, the accrediting agency's name, address and telephone number.
- J. The admission requirements for each program and student application procedures.
- K. The educational, academic or occupational objectives of each program; the requirements and procedures for obtaining any licensure, registration, or certification required or advantageous for the occupational field or information concerning access to the same.
- L. The number of hours of instruction in each subject and the total program. For nondegree programs, the length of time in weeks or months normally required for completion.

- M. A statement of the certificate, diploma or degree awarded upon graduation.
- N. A calendar showing the class start and end dates, drop-add dates, holidays and vacations.
- O. Policies relating to tardiness, absences, makeup work, conduct (including causes for dismissal and conditions for re-admission), termination, reentry, and other rules and regulations of the institution.
- P. Standards of progress, including the grading system used, minimum scores required, academic probation policies (including re-admission requirements), maintenance of progress records, and how progress is reported to students. Grades shall be reported to students no less often than after each term.
- Q. A statement of tuition and other student charges related to the enrollment, such as deposits, fees, books and supplies, tools and equipment, and any other charges for which a student may be responsible.
- R. The cancellation and refund policy of the institution, which must comply with Regulation 62-18.
- S. A detailed and explicit description of job placement assistance available to students and/or graduates. If no placement assistance is offered, the institution shall so state.
- T. The institution's procedures for handling student complaints, which must comply with Regulation 62-27.
- U. A statement that enrollment in the institution or completion of the program does not guarantee employment.
- V. A statement that the institution makes no claim or guarantee that credit earned will transfer to another institution.
- W. Such other material facts concerning the institution and the program of instruction as are likely to affect the decision of the student enrolling therein.
- X. Out-of-state truck driving institutions shall disclose that graduates should have attained the age of twenty-one before completion of the program of instruction. Those institutions admitting students between the ages of eighteen and twenty-one shall require all applicants to sign a statement of understanding that employment with truck driving companies operating interstate is not possible until the applicant attains the age of twenty-one.
- Y. Supplemental page(s) may be used as a part of the catalog, bulletin or brochure provided they are used in such a way to become an effective part of

the catalog, bulletin or brochure. Supplemental page(s) shall show an effective date and shall be presented to each prospective student before execution of any enrollment contract.

- Z. The Commission may amend, modify, substitute, or alter these publication requirements as necessary and advisable because of the specialized nature and objective(s) of the institution.

62-20. Student Records.

Institutions must store official student academic records in a secure vault or fireproof cabinet or store duplicates in a different building or at an off-site location. If the institution uses computer generated and stored records, it must have adequate security measures to protect and back up the data. The institution must have policies concerning retention and disposal of records and information-release policies which respect the rights of individual privacy, the confidentiality of records, and the best interests of the student and institution.

- A. Each institution shall maintain, for a minimum of six years from graduation or termination, student records that shall include at least the following:
- (1) A copy of the enrollment agreement or contract and other instruments relating to the payment for educational services.
 - (2) Student information, including:
 - (a) student name;
 - (b) permanent or other address at which the student may be reached;
 - (c) records relating to financial payments and refunds;
 - (d) records relating to credit granted for prior education or experience; and
 - (e) record of attendance.
 - (3) Date of completion or termination and the reason(s) therefor.
 - (4) Record of any student grievance and subsequent resolution.
 - (5) Copies of correspondence and other records relating to the recruitment, enrollment and placement of the student.
- B. Each institution shall provide upon request a transcript to the student who has satisfied all financial obligations currently due and payable to the institution. The transcript of the individual student's record of achievement must be maintained as a permanent record (minimum of 30 years from graduation or termination, or a shorter time as the Commission deems appropriate for programs or courses for which it is unlikely that students will need documentation of attendance) in a form that provides at least the following:
- (1) Name of the student.

- (2) Title of program, including total number of credit or clock hours of instruction received and dates of enrollment.
 - (3) Grade record of each course, lesson or unit of instruction and the cumulative grade for the program.
 - (4) Explanation of grading system.
- C. In addition to the above, an out-of-state institution shall maintain records that include, but are not limited to, a list of the name and address of each student enrolled from within the State and such records shall be made available to the Commission upon request.
- D. Each institution must have in place at all times the capability to transfer academic records for former and current students to a receiver. The records may be electronic or paper, and must be easily accessible in format and system. In the event of merger, consolidation, change of ownership, or dissolution of an institution, the institution owner or designee shall:
- (1) Notify the Commission in writing at the time the decision is made to merge, consolidate, sell, or close, but as a minimum, seventy-two hours before such action.
 - (2) Submit a plan to provide for the retention and disposition of records. The plan shall provide for the assignment of the records to another institution or agency willing to accept responsibility for their safety, maintenance, distribution, and, where appropriate, disposal. If the institution cannot provide for assignment of the records to another institution or agency, the Commission may seize the records and, as necessary, negotiate for assignment of the records to another institution or agency that will accept responsibility for their safety, maintenance, distribution, and, where appropriate, disposal.
 - (3) Provide to the Commission a record of the names, addresses and financial records of students currently enrolled whose programs have not been completed.
 - (4) Surrender the License to the Commission.

62-23. Fees.

- A. Initial and annual institutional license fees are one-half of one percent of the actual or expected gross income of the licensed program(s), but not less than one hundred dollars or more than one thousand dollars per location. Gross annual income is computed after a normal tax accounting year of an institution. Any tuition earned for licensed programs during that twelve-month period shall be included as the gross annual income. The only expense that can be deducted from gross tuition is refunds made to students. For out-of-state institutions licensed to offer their program(s) to residents of the State, gross income means that income generated from students enrolled in the State.
- B. Late filing fees are as follows:
- (1) An institution submitting its application for renewal or its annual periodic reports more than five business days after the due date shall be assessed an additional charge of ten percent of the institution's annual fee for each five business days the report is past due, but not less than fifty dollars for each five-day increment, ~~not to exceed one hundred percent of the annual fee.~~ If the renewal or annual report is submitted by the due date but is incomplete, the Commission will notify the institution and establish a specific date by which the remainder of the report must be submitted. If the remainder of the report is not submitted by the established date, the Commission may reactivate the late fee.
- (2) The Commission may waive or reduce the late fee in case of mitigating circumstances as determined by the Commission.
- C. Amendment of license to move an existing location or site: \$50.
- D. Amendment of license for each additional program or site: one-half of one percent of the projected additional gross tuition income for the first year, but not less than fifty dollars or more than five hundred dollars per program. For out-of-state institutions licensed to offer their program(s) to residents of the State, gross income means that income generated from students enrolled in the State.
- E. Re-issuance of license for program name change or institution name change: \$25.
- F. Initial and renewal of agent permit: \$25.
- G. Re-issuance of agent permit: \$10.

- H. All fees shall be submitted at the time of application and are nonrefundable.
- I. The Commission may assess a fine for failure to respond in a timely manner to a request from the Commission for information or for repeat violations involving deceptive trade or sales practices or advertising. In assessing a fine, the Commission must consider the nature of the violation and whether the institution has a history of infractions. A fine may not exceed one thousand dollars, and if the institution does not pay the fine within 30 days of written notification by the Commission, late fees may be assessed as described in this section, or the Commission may proceed with revocation of the license.
- J. All fees shall be paid by check or money order payable to the "South Carolina Commission on Higher Education."

62-25. Deceptive Trade or Sales Practices.

No institution or agent shall use deceptive trade or sales practices in the operation of the institution or in the recruitment of students. For purposes of these regulations, it is a deceptive trade or sales practice for an institution or agent to:

- A. Make or cause to be made any statement or representation, oral, written, or visual, about the offering of educational services if such institution or agent knows or should have known the statement or representation to be false, inaccurate, or misleading.
- B. Represent falsely, directly or by implication, with a trade or business name or in any other manner, including the use of "help wanted" or other employment columns in a newspaper or other publication, that it is an employment agency or agent, or authorized training facility for another industry or member of industry, or to otherwise deceptively conceal the fact that it is an educational institution.
- C. Represent falsely, directly or by implication, that any of its educational services have been approved by a particular industry or that successful completion of it qualifies a student for admission to a labor union or similar organization or for the receipt of a state license to do certain functions.
- D. Represent falsely, directly or by implication, that the lack of a high school education, prior training, age, or experience of applicant is not a handicap or impediment to completing successfully a course or program of study and/or for gaining employment in the field for which the educational services were designed.
- E. Adopt a name, trade name, or trademark that represents falsely, directly or by implication, the quality, scope, nature, size or integrity of the institution or its educational services.
- F. Represent falsely, directly or by implication, that students completing a course or program of instruction successfully may transfer credit to any institution of higher education.
- G. Represent falsely, directly or by implication, in its advertising or promotional materials or in any other manner, the size, location, facilities, equipment, the number of years of educational experience, qualifications of its faculty, the extent or nature of any approval received from any state agency, or the extent or nature of any accreditation received from any accrediting agency or association.
- H. Provide prospective students with any testimonials, endorsements, or other information that have the tendency to mislead or deceive prospective students

or the public regarding current practices of the institution, current conditions for employment opportunities, or probable earnings in the industry or occupation for which the education services were designed or because of the completion of any educational services.

- I. Enroll a student when it is obvious that the student is unlikely to complete successfully a program of study or is unlikely to qualify for employment in the field for which the education is designed, unless this fact is affirmatively disclosed to the student and acknowledged, in writing, by the student.
- J. Designate or refer to its sales representatives as "counselors," "advisors," or use words of similar import that have the tendency to mislead or deceive prospective students or the public regarding the authority or qualifications of sales representatives or agents.
- K. No institution or representative of an institution shall use the terms "approval," "approved," or "approved to operate." A statement that the institution is "Licensed by the South Carolina Commission on Higher Education" is the only acceptable language. There may be no statement or implication that licensing is an endorsement or recommendation by the State or by the Commission. An institution exempt from the Commission's oversight may not claim that it is under authority of the Nonpublic Postsecondary Institution License Act or the Commission. It may not claim that the Commission recognizes it, grants it authority to operate, or use any other misleading language referring to approval, recognition, authority, licensure, accreditation, certification, registration, or oversight.
- L. An institution shall not misrepresent the nature or extent of any prerequisites it has established for enrollment in a course or program of instruction. It shall not:
 - (1) Represent that a program is available only to those having a high school diploma or other specific educational qualifications, unless the sale of a program is limited to persons possessing generally acceptable evidence of a diploma or educational qualifications.
 - (2) Represent that only those who make an acceptable grade or complete successfully a certain test or examination will be admitted, if enrollments are not thus limited.
 - (3) Falsely represent that it will accept for enrollment only a limited number of persons or a limited number of persons from a certain geographical area.
 - (4) Falsely represent that applications for enrollment will be considered for only a limited period, or that they must be submitted by a certain date.

M. Institution personnel may not discredit other schools by falsely imputing to them dishonorable conduct, or disparage or demean the character or quality of their courses or student body. Institution personnel may not knowingly solicit any student to leave another educational institution.

62-26. Advertising Guidelines.

- A. "Advertising" includes any form of public notice however distributed. Within this definition would be virtually all publications and promotional items and efforts that could normally be expected to be seen by significant numbers of prospective students or their sponsors. Examples include catalogs, bulletins, brochures and other institution publications, signs, mailing pieces, specialties, radio, television, audiovisual, newspaper, or any other form of public notice designed to aid in the institution's recruiting and promotional activities.
- B. Each institution shall maintain high ethical standards in the conduct of its operations, solicitation of its students, and in its advertising and promotional material. The use of any unfair or deceptive trade practice or the making or causing to be made any false, misleading or deceptive statement in any advertising or promotional material that has the tendency or capacity to mislead or deceive students, prospective students, or the public shall be cause for the refusal to issue or renew, or revocation or suspension of licenses or permits.
- C. The correct name of the institution is to appear in all advertising. "Blind" ads are considered misleading and unethical.
- D. The location of the institution must be noted on each advertising offering; courses offered by distance education must clearly describe the method of delivery.
- E. Reference in advertising to accreditation shall name the agency and shall be limited to accreditation currently held by the institution through nationally recognized accrediting agencies as defined and listed by the United States Department of Education.
- F. The institution must be able to substantiate from its own records any advertised claims, including employment and earnings claims. If any oral or written placement claims are made, the institution must disclose its placement rate. Advertising of salaries and other occupational opportunities must clearly disclose the normal range of salaries and opportunities available to students immediately after graduation. The normal range would exclude the top ten percent and the bottom ten percent of the graduates. Claims must avoid "high starting salaries," "top paying jobs," "high pay," and other exaggerated approaches. Large earnings shall not be implied.
- G. When using classified advertising an institution shall not request a misclassification nor shall it allow others to use its name or program offerings in inappropriate classifications. "Help wanted," or "employment" classifications are to be used only to procure employees for the institution, never to attract students.

- H. Although advertising space limitations might restrict desirable explanations, the text must avoid abbreviated claims that might tend to be easily misunderstood. If an item is considered important enough to be included in advertising, it should be presented in a manner clearly understandable to anticipated readers. An institution may not claim space limitations as a reasonable excuse for limited disclosure that could tend to obscure, conceal, mislead, omit, deceive, confuse, distract, or otherwise continue to create misunderstanding.
- I. An institution's officials must accept full responsibility for advertising prepared and placed by its representatives, advertising agencies, or others involved by the institution in its recruiting and promotional efforts, and should therefore review and approve such advertising before its use.
- J. Mention of institutional eligibility for federal grants, loans, or other student financial aid programs in advertising must be limited to the announcement, "Financial aid available for those who qualify."
- K. Information about programs or courses, available through the Internet, World Wide Web, or other electronic telecommunication methods, must provide access on its first 'page' to licensure and accreditation information as described in Regulation 62-16. Electronic links or contact information must be included to each licensing agency and to each accrediting agency. The institution's web site must include the full and correct name of the institution, the name of the chief operating or academic officer, telephone numbers, street address, and the city where the institution is located. All other information on the web site must comply with the Commission's trade and sales practices, advertising guidelines, rules, and regulations.

62-27. Procedures for Handling Consumer Complaints.

- A. Any person having a complaint or grievance against an institution that is licensed by the Commission should make a reasonable effort to obtain satisfaction from the institution directly through the institution's established procedures. In the event that a solution cannot be reached, the person may file a written complaint with the Commission. The complaint should include any evidence bearing on the issues and documentation that a reasonable effort was made to resolve the complaint directly with the institution.
- B. The Commission will review the facts as set forth in the complaint and may intervene, as appropriate, to bring the matter to a satisfactory conclusion. Such intervention shall be limited to facilitating settlement through negotiation, and shall not include legal action for any party. Notwithstanding the institution's refund policy, if the Commission determines that the circumstances justify such action, it may require that the institution make a full or partial refund of tuition or other fees as appropriate. If, in the opinion of the Commission, there is evidence that the institution may no longer be maintaining minimum standards, the Commission may call for an investigation to determine whether the institution's license should be revoked.

62-28. Revoking, Suspending, or Refusing to Issue or Renew a License.

- A. The Commission may revoke or suspend, or refuse to issue or renew a license for any of the following:
- (1) Violation of any provision of Chapter 58 of Title 59, South Carolina Code of Laws, 1976, as amended, or any rule and regulation made by the Commission.
 - (2) Furnishing false, misleading or incomplete information to the Commission or failure to furnish any information requested by the Commission.
 - (3) Violation of any commitment made in an application for a license.
 - (4) Failure to provide or maintain premises or equipment in a safe and sanitary condition as required by law, or State or local regulations or ordinances applicable at the location of the institution.
 - (5) Failing within a reasonable time to provide information requested by the Commission because of a complaint that would indicate a violation of Chapter 58 of Title 59, South Carolina Code of Laws, 1976.
 - (6) Attempting to use or employ enrolled students in any commercial activity without specific authorization from the Commission. Such authorization will be granted only when such activities are essential to the students' program. Such authorization will not be unreasonably withheld.
- B. The Commissioner's may give the institution a period of probation if in the Commissioner's judgment any unsatisfactory condition can reasonably be corrected within such time. If the Commissioner determines that it is appropriate, he or she may require that an institution delay a new class term to give the Commissioner time to investigate, evaluate, and assist and to allow the institution officials time to evaluate and adjust.
- C. Any ruling of the Commissioner in application of these regulations may be appealed to the Commission by the institution in accordance with established procedures. Licenses shall be denied, revoked, suspended or not renewed by the Commission according to procedures for notice, hearing, applicable depositions, subpoenas, other related process matters and subsequent procedures in compliance with the Administrative Procedures Act, Chapter 23 of Title 1, South Carolina Code of Laws, 1976.
- D. If the Commission orders an institution to cease offering a program of instruction or revokes the institution's license, the Commission may delay approval for up to two years after the order to cease or revocation became effective. Before the Commission may grant any license, the institution shall

establish that it complies with these regulations, that each program satisfies all the minimum standards prescribed by these regulations, and that the circumstances surrounding the institution's failure to meet the requirements have sufficiently changed so that the institution will be substantially likely to comply.

Attached please find an outline (**Attachment 1**) describing the proposed changes. The actual changes are shown (underlined or struck out) on copies of the licensing statute (**Attachment 2**) and Licensing regulations (**Attachment 3**).

Recommendation

The Committee recommends that the Commission approve the proposed changes to the law and regulations governing nonpublic postsecondary institutions and authorize the staff to pursue legislative approval in compliance with the Administrative Procedures Act.

Attachments (3)

/jb