

# DETC Business Standards

Business Standards are a part of the Accrediting Commission’s overall standards for accredited institutions. The policies, procedures, practices, and activities of an accredited institution must be in compliance with these Standards. In reviewing an accredited institution, the Examining Committee members will determine adherence to the Business Standards.

Newly accredited institutions must come into compliance with the Standards upon gaining accreditation. The Business Standards prescribe the minimum policies accredited institutions must observe in all phases of institutional operations.

No institution, whether an initial applicant for accreditation or an applicant for re-accreditation, can receive or retain accreditation if it is not properly licensed, authorized or approved by the applicable state educational institution authority. All institutions, including institutions seeking initial accreditation, must also conform to all of the provisions of applicable laws and regulations, and these governmental regulations take precedence if there is a variance with the Business Standards.

The Accrediting Commission will not accredit a distance education institution with a franchise, distributorship, or similar sales arrangement.

## Business Standards

### Section I: Institution and Course Promotion

#### I.A. Advertising and Promotion (Accreditation Standard VIII.A.)

- I.A. 1. Each advertisement or piece of promotional literature written or used by an institution must be completely truthful and must not give any false, misleading, or exaggerated impression with respect to the institution, its personnel, its courses and services, or the occupational opportunities for its graduates.
- I.A. 2. All advertising and promotional literature used by an institution must clearly indicate that training or education is being offered.
- I.A. 3. All advertising and promotional literature must include the full and correct name and location of the institution and disclose the fact that correspondence/home study training or education is given. In addition, the local address of a sales representative may be used. Advertisements that do not identify the institution by name (“blind ads”) cannot be used.
- I.A. 4. The institution’s address must appear in catalogs, enrollment agreements, promotional literature, Internet Web sites, and official DETC listings. For this purpose, a Post Office Box number will not be considered a physical address. For common media advertisements, the institution’s city and state must be provided at a minimum. Institutions may not provide the names of other institutions as triggers for their own sponsored links on Internet search engines.

- I.A. 5.** Testimonials of endorsement, commendation, or recommendation may be used in institutional catalogs, advertisements, and promotional literature provided that they portray currently correct conditions or facts and provided that the writer’s prior consent is obtained and no remuneration is made for either the consent or use of the endorsement. Such letters shall be kept on file and available for inspection.
- I.A. 6.** To enroll students, a institution will not use advertisements or promotional material which are classified, designated, or captioned “men and/or women wanted to train for . . .,” “help wanted,” “employment,” “business opportunities,” or words or terms of similar import which represent directly or by implication that employment is being offered.
- I.A. 7.** Institutions using classified columns of newspapers or other publications to enroll students must use only those columns headed “education,” “institutions,” or “instruction.” “Help wanted,” “employment,” or “business opportunities” classifications may be used only to advertise for employees or sales representatives for the institution.

The conduct of any face-to-face solicitation or promotional activities—including the in-person dissemination of literature or the providing of oral information—on the part of persons directly or indirectly affiliated with an accredited institution at or in proximity to an employment or public welfare office will be considered in violation of Accreditation Standards VII.B. and DETC Business Standards 1. A. 2, 6 and 7.

- I.A. 8.** The use of the following words is restricted or prohibited:
- a.** The word “Free” shall not be used to describe any item or service regularly included as a part of the institution’s course or services.
  - b.** The word “Guarantee” shall not be used by an institution for advertising or promotional purposes.
  - c.** The word “accredited” shall not be used to describe certification programs.
- I.A. 9.** The institution must publish and disclose to students its official academic calendar (calendar of key institution events, starting and ending dates of terms, holiday schedules, academic advising and registration dates, assignment schedules, faculty/instructor office hours when applicable, etc.) in the appropriate institutional publications.
- I.A. 10.** An institution that offers academic degrees or academic credit-bearing courses must disclose on its web site and in its catalog that the acceptance for transfer of its credits is determined by the receiving institution.

**I.B. Institution and Course Recognition** (Accreditation Standard VIII.A.)

- I.B. 1.** The institution may use the fact of accreditation in its advertising, promotional literature, or letterheads only in the following manner:

- a. Use of the official Accredited Institution Seal.
- b. Use of the statement, with or without the official seal:



*Accredited Member Distance Education and Training Council or  
Accredited Member DETC*

- c. Use of the statement, with or without the official seal:

*Accredited by the Accrediting Commission of the Distance Education and Training Council*

- d. If an institution elects to disclose its accredited status, it must make available the name, address, and telephone number of the Accrediting Commission of the Distance Education and Training Council. For electronic media and web sites, the institution may provide a hypertext mark-up language link (“html”) to the DETC’s web site (<http://www.detc.org>) when making public disclosure of its accredited status.

An institution may use the terms “accredited program,” “accredited courses,” and/or “nationally accredited” when referring to its individual programs, courses, and/or institution.

- I.B. 2.** Any statement referring to the U.S. Department of Education’s recognition of the Accrediting Commission must read:

*The Accrediting Commission  
of the Distance Education and Training Council  
is listed by the  
U.S. Department of Education as a  
nationally recognized accrediting agency.*

The above statement **may not** be used in common media advertising.

- I.B. 3.** Any statement referring to the CHEA recognition of the Accrediting Commission must read:

*The Accrediting Commission  
of the Distance Education and Training Council  
is a recognized member of the  
Council for Higher Education Accreditation*

## Section II: Student Enrollment

### II.A. Enrollment Agreements (Contracts) (Accreditation Standard VII.B.)

- II.A. 1. The institution must use an enrollment agreement (contract) that clearly outlines the obligations of both the institution and the student. Institutions enrolling students online must: 1) provide prospective students with ready access to the institution's tuition cancellation and settlement policy prior to their enrolling; 2) determine with reasonable certainty, prior to accepting an applicant, that the applicant has been informed of the institution's cancellation and settlement policy.
- II.A. 2. A copy of the enrollment agreement must be furnished the student either by the institution's sales representative or by the institution itself in the case of enrollments not obtained by sales representatives. The enrollment agreement must be written in the same language (English, Spanish, French) as the language of the promotional presentation.
- II.A. 3. When a sales representative obtains an enrollment, a receipt for money collected must be left with the applicant.
- II.A. 4. The terms of the institution's cancellation and settlement policy must be clearly disclosed in the enrollment agreement.
- II.A. 5. If the institution elects to use a contract termination or expiration date on its enrollment agreements, the termination or expiration date must be, at a minimum, one and one half (1.5) the projected time for students to complete the course or program, or the projected time to complete, plus 12 months, whichever is less.

### II.B. Admission Practices (Accreditation Standard VII.A.)

- II.B. 1. In admitting students, the institution must observe fully the rights of all applicants and commit no action that would be detrimental to any applicant's opportunity to enroll because of race, sex, color, creed, or national origin.
- II.B. 2. The institution must disclose to the applicant in writing the scope and nature of the course and its educational and/or training objectives.
- II.B. 3. The institution must establish the qualifications that an applicant must possess to enable the successful assimilation of the educational materials furnished. The institution must also determine with reasonable certainty, prior to the acceptance of the applicant, that the applicant has been informed of and has the proper qualifications to enroll in the course. The institution must also determine that an applicant has no handicap, physical or otherwise, which could reasonably prevent the applicant's use of the knowledge or skills gained from the course.
- II.B. 4. No accredited institution may enroll a person of compulsory institutional age until it establishes with responsible parties that pursuit of the course will not be detrimental to required schooling.

- II.B. 5.** If an institution enrolls a person not meeting the established qualifications for enrollment, a record must be made showing the reasons for acceptance of that person.

**II.C. Control of Student Recruitment Personnel (Accreditation Standard VIII.B.)**

- II.C. 1.** The institution has full responsibility for the actions, statements, and conduct of its sales representatives.
- II.C. 2.** Institutions must assure that sales representatives are properly licensed or registered in any state where they work. Institutions will maintain appropriate records on each representative.
- II.C. 3.** Each sales representative must be given accurate information regarding the conditions of employment, including the method of remuneration, and sign a written agreement. This agreement will include a description of the relationship between the representative and the institution, a pledge of adherence to the “DETC Code of Ethics for Student Recruitment Personnel,” the terms of exclusivity of the engagement, and termination rights and procedures.
- II.C. 4.** Institutions must train new sales representatives before they begin enrolling students. This training must include information on applicable Accrediting Commission of the Distance Education and Training Council’s standards and requirements, including the Code of Ethics. Materials covering procedures, sales presentation instructions, and general sales policies must be supplied to each representative.
- II.C. 5.** Accredited institutions may make use of telemarketers in accordance with ethical business practices. Telemarketing activities will conform to applicable federal and state laws, including guidelines issued by the Federal Trade Commission.
- II.C. 6.** A sales representative must not use any title that indicates special qualifications for career guidance, counseling, or registration that are not in fact possessed.
- II.C. 7.** Sales manuals or materials covering applicable procedures and sales presentation instructions and general sales policies must be supplied to each sales representative.
- II.C. 8.** If a sales representative is authorized to prepare or place advertising or to use promotional materials, the institution has full responsibility for the materials used and must approve any such materials prior to their use.
- II.C. 9.** During their periods of engagement, the institution must maintain appropriate and current records on each individual sales representative.

## Section III: Tuition, Cancellation, and Collection

### III. A. Tuition Policies (Accreditation Standard X.A.)

- III.A. 1.** Institutions will use Total Course Price in preparing enrollment agreements, calculating refund amounts, and collecting student accounts. Total Course Price includes tuition, fees, educational services and instruction, any other services (such as proctored examinations or placement), any required books, kits and equipment, any required resident training, and charges applied to all students such as application fees, registration fees, and finance charges. Costs expended for normal shipping and handling are not subject to refund (after the expiration of the cooling-off period).
- III.A. 2.** The costs expended for optional or special services, such as expedited shipment of materials, experiential portfolio assessment, transcript evaluation, or other optional services, must be disclosed effectively to prospective students and are not subject to refund (after the expiration of the cooling-off period).
- III.A. 3.** The institution may supply books, kits, and equipment available from commercial sources or students may be permitted to acquire them from other sources. When the institution does not supply these items, it must indicate the name of textbooks, including title, author, publisher, ISBN, and best estimates of their fair market price. This must be included in the enrollment agreement or otherwise made easily available so that the student will have a good understanding of his/her total financial obligation.
- III.A. 4.** If the institution elects to sell textbooks to students separately, including used books, it must identify the texts required for the course, including title, author, publisher, ISBN number, condition, and price in the Enrollment Agreement or in an accompanying attachment. The textbook pricing policy of the institution, which may include the purchase and sale of returned textbooks, must be fair to the student and in no way undermine the protections afforded by the DETC refund policy.
- III.A. 5.** The Total Course Price for any program must be the same for all persons, with the exception of proper discounts for group enrollments or members of nonprofit, religious, or government organizations. Institutions may vary the price and offer special payment plans available to all students, so long as the course price remains the same under any payment plan.
- III.A. 6.** Any variation in Total Course Price must be *bona fide*. This applies to scholarships, limited time institution aid grants, discount offers, special prices, or announcements of price increases, all of which must occur during a specified period and must state a specific date of execution or termination.

### III.B. Tuition, Cancellation, and Collection (Accreditation Standard X.C.)

**III.B.** Tuition Refund Policies: Each institution must publish its policy for retaining tuition payments when students decide to cancel their enrollment. Any money due the student must be refunded within 30 days of the cancellation request, **regardless if any materials have been returned**, which may be conveyed in any manner. At a minimum, the policy must provide that:

- III.B. 1.** Students who cancel within five days after enrolling will receive a refund of all money paid to the institution.
- III.B. 2.** To offset its administrative costs, the institution may designate a percentage of the course/program tuition as a non-refundable fee (often termed registration or similar name) that it may retain if the student cancels after five days but before submitting a completed lesson assignment. This fee may be either \$75 or 20% of the tuition charge, not to exceed \$200. **A student enrolling in a number of courses at the same time, as when enrolling in a MBA program, may only be assessed a total of 20% of the tuition charged, not to exceed \$200.**
- III.B. 3.** Where the student cancels after completing at least one lesson assignment but less than 50 percent of course assignments, the institution may retain a **percentage of refundable tuition** which shall not exceed the following:
- a.** Up to and including 10 percent of the course, 10 percent of the refundable tuition (tuition charges remaining after subtracting the non-refundable fee already retained).
  - b.** Between 10 percent and 25 percent of the course, 25 percent of the refundable tuition.
  - c.** Between 25 percent and 50 percent of the course, 50 percent of the refundable tuition.
  - d.** After the student completes more than half the course, the institution shall be entitled to retain the entire total course tuition.

*The amount of the course completed shall be the ratio of completed lesson assignments received by the institution to the total lesson assignments required to complete the course.*

Optional Refund Policy: [Revised June 2006] Institutions offering academic degree courses and programs, which have a published duration stating specific dates for student starting and completion, have the option of using the refund tables below. To qualify for use of this refund table, the credit-bearing course must require a fixed period of study that is disclosed—prior to enrollment—to prospective students, e.g., eight weeks from April \_\_, 2008. Courses cannot exceed 16 weeks in duration. The time-based refund policy also applies to certificate courses that are accepted for academic credit into a degree program.

The table below sets out the percentage of tuition that will be refunded to students who complete only part of a course, normally defined as an academic learning unit ranging from one to four semester credit hours, as defined in DETC Policy C.9. If the student contracts for a program of study, defined as a learning unit that includes two or more courses, each course must be treated separately for the purposes of calculating any refund to the student. For example, a student who contracts with

an institution for three distinct three credit courses, but completes only part of one course, is entitled to a full refund on the remaining two **uncompleted courses**.

| <b>Published Length of Course</b> | <b>*Refundable Tuition Due AFTER –</b>  |
|-----------------------------------|---|
| 1-6 weeks                         | 1 <sup>st</sup> week = 70%<br>2 <sup>nd</sup> week = 40%<br>3 <sup>rd</sup> week = 20%<br>4 <sup>th</sup> week = 0%   |
| 7-10 weeks                        | 1 <sup>st</sup> week = 80%<br>2 <sup>nd</sup> week = 60%<br>3 <sup>rd</sup> week = 40%<br>4 <sup>th</sup> week = 20%<br>5 <sup>th</sup> week = 0%   |
| 11-16 weeks                       | 1 <sup>st</sup> week = 80%<br>2 <sup>nd</sup> week = 70%<br>3 <sup>rd</sup> week = 60%<br>4 <sup>th</sup> week = 50%<br>5 <sup>th</sup> week = 40%<br>6 <sup>th</sup> week = 30%<br>7 <sup>th</sup> week = 20%<br>8 <sup>th</sup> week = 10%<br>9 <sup>th</sup> week = 0% |

**\*Refundable tuition is the total course tuition minus the registration fee.**

- III.B. 4.** The following applies as a minimum policy for combination distance study/mandatory resident training courses.
- a.** For a course that includes mandatory resident training, the tuition price for the distance study portion and the tuition price for the resident portion must be separately stated on the enrollment agreement. The total of the two is the Total Course Price.
  - b.** For cancellation and settlement for the distance study portion of the combination course Section III.B. subsections 1 and 3 above apply.
  - c.** For the mandatory resident portion of the course, the following applies as a minimum policy:
 

After the student attends the first resident class session, if the student requests cancellation, the institution shall be entitled to a tuition charge which shall not exceed the following:

    - (1)** Up to and including completion of the first 10 percent of the resident training, 10 percent of the tuition.
    - (2)** After completing more than 10 percent of resident training and up to and including completion of 25 percent of the resident training, 25 percent of the tuition.

- III.B. 4.** (3) After completing more than 25 percent of the resident training and up to and including completion of 50 percent of the resident training, 50 percent of the tuition.
- (4) If the student completes more than half of the resident training, the full tuition.

*The amount of resident training completed shall be the number of days the student attends resident training as compared to the total days of the resident training program.*

- III.B. 5.** Courses that include optional resident training, seminars, or other resident training sessions are subject to Section III.B.4. above. Separate charges may apply for optional resident training.
- III.B. 6.** Upon cancellation, a student whose tuition is paid in full is entitled to receive all course materials, including kits and equipment.
- III.B. 7.** In the case of student illness or accident, death in the family, or other circumstances beyond the control of the student, the student shall be entitled to special consideration and the institution may settle the account for an amount which is a lesser charge to the student than that called for by the institution's established policy.
- III.B. 8.** Correspondence regarding cancellation and settlement between the student and the institution, banks, collection agencies, lawyers, or any other third persons representing the institution must clearly acknowledge the existence of the cancellation and settlement policy of the institution.
- III.B. 9.** If promissory notes or enrollment agreements are sold or discounted to third parties, the institution must still comply with the minimum cancellation and settlement policy outlined in this section.
- III.B. 10.** Collection procedures used by the institution or third parties must reflect ethical business practices.
- III.B. 11.** If an institution believes that any part of the DETC minimum cancellation policy should be waived, and/or is inappropriate to the institution's particular operations, it must seek and obtain a waiver from the Accrediting Commission and an approval for the use of an alternate proposed cancellation policy. Institutions, in requesting a waiver of the cancellation policy, as described above, and approval of an alternate policy, must submit a request in writing to the Accrediting Commission, along with a copy of the proposed alternate policy and an analysis of how enrolling students will be afforded fair protection for all monies paid under the proposed policy.

**Code of Ethics  
for Student Recruitment Personnel  
of  
Accredited Distance Education Institutions**

As a student recruitment representative of an accredited distance education institution, I recognize that I have certain responsibilities toward students, the public, and my institution. To fulfill these responsibilities, I pledge adherence to this Code of Ethics.

I will observe fully the standards, rules, policies, and guidelines established by my institution, the Accrediting Commission of the Distance Education and Training Council, the State Education Agency, and other legally authorized agencies.

\* \* \*

I will adhere to high ethical standards in the conduct of my work, and to the best of my ability, will:

1. Observe fully the rights of all applicants and commit no action that would be detrimental to any applicant's opportunity to enroll because of race, sex, color, creed, or national origin.
2. Never knowingly make any false or misleading representation to any applicant nor use any coercive practices in presenting information.
3. Enroll applicants only in the course or courses in which they have expressed their interest, provided they meet the qualifications and standards established by my institution for enrollment.
4. Provide applicants only with information authorized by my institution regarding the occupational opportunities for graduates.
5. State accurately and clearly to prospective students the approvals, accreditation, business and employer recognition, and course acceptance accorded to my institution.
6. Never use tuition assistance available from a governmental agency or other source as the primary inducement for enrollment.
7. Refrain at all times from making any statement or inference that might falsely impugn the integrity or value of any other institution, method of training, or profession.
8. Discharge faithfully, and to the best of my ability, all of the duties and obligations and procedures established by my institution for my position and know all of my obligations and rights as an institutional representative.
9. Reflect at all times the highest credit upon myself, my institution, and the field of distance education and always strive to enhance the reputation of my profession through my conduct as a distance study institutional representative.