## 3.1 INSTITUTIONAL ACCREDITATION AND STATE AUTHORIZATION

- 3.1.1 Authority and Purpose
  - A. Basis of Authority

The Oklahoma Higher Education Code states:

- 1. "Any person or persons, group, or other entity, establishing a private educational institution shall do so only as a corporation organized or domesticated under the laws of Oklahoma." (70 O.S. § 4101).
- 2. Additionally, 70 O.S. § 4103 states, "All private and out-of-state public degree-granting institutions shall be accredited by an accrediting agency which is recognized by the Secretary of the United States Department of Education ["USDE"] as a reliable authority as to the quality of education or training offered by institutions of higher education for the purposes of the Higher Education Act of 1965, as amended. Additionally, for the purposes of consumer protection and to maintain financial eligibility for Title IV funding as described in 34 CFR Part 600, institutions shall be authorized according to the policies and procedures established by the Oklahoma State Regents for Higher Education. These policies and procedures shall be limited to the minimum necessary to ensure that private and out-of-state degreegranting institutions that operate in this state by any modality meet the same standards of academic quality and fiscal responsibility required for institutions of higher education within The Oklahoma State System of Higher Education. ...[T]he State Regents shall:
  - a. Establish and collect fees annually from applicants for authorization as necessary to cover the costs of authorization;
  - b. Require applicants for authorization to submit payment in an amount established by the State Regents into the Tuition Recovery Revolving Fund ... which shall be used to offset student tuition losses in the event an authorized institution closes or ceases operations; and
  - c. Be authorized to deny, not renew, or revoke an institution's authorization if it is found to be in violation of the Oklahoma statutes, it fails to meet the minimum authorization standards established by the State Regents, or an accrediting agency or other government entity revokes its approval, which is material to the continuity of the institution. An institution subject to the provisions of this paragraph shall be given reasonable notice and opportunity to be heard prior to a decision to deny, not renew, or revoke authorization." (70 O.S. § 4103(B)).
  - d. "The following institutions shall be exempt from this section:
    - i. Private institutions participating in the Oklahoma Tuition Equalization Grant program; and
    - ii. Out-of-state public institutions and private

institutions participating in a state authorization reciprocity agreement that only conduct activities in Oklahoma that are acceptable under the terms and conditions of the state authorization reciprocity agreement." (70 O.S. § 4103(C)).

- e. "Non-exempt institutions engaged in non-degree granting activities, such as offering certificates and diplomas, shall be subject to the standards administered by the Oklahoma Board of Private Vocational Schools." (70 O.S. § 4103(D).
- 3. *See also* Oklahoma Administrative Code (OAC) 610:10-1-1 to 610:10-1-6 for the administrative rules implementing 70 O.S. § 4103.
- 4. Finally, 70 O.S. § 4104 exempts from OSRHE authorization and from accreditation "religious degrees which are used solely for religious purposes within a religious organization" and "any institution of higher education whose primary purpose is to provide religious training or theological education and which is exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3)." (70 O.S. § 4104 (B)).
- B. Purpose

The purpose of this policy is consumer protection—to protect Oklahoma citizens by ensuring that higher education institutions offering degree programs or degree-related instruction in Oklahoma meet statutory and policy requirements.

- 3.1.2 State System Institutions
  - A. Accreditation

State System institutions shall maintain accreditation by the Higher Learning Commission (HLC) either individually or jointly with one or more public institutions and shall provide OSRHE with electronic copies of assurance arguments and assurance reviews, as appropriate, and final evaluation reports in a timely manner.

- B. Loss of Accreditation
  - 1. A State System institution that has been placed on sanction, notice, or probation or issued a Show Cause Order by HLC shall notify OSRHE within 14 calendar days of the date of the HLC action.
  - 2. A State System institution that has been notified by HLC of an impending action to deny or withdraw accreditation shall notify OSRHE within 14 calendar days of the notification.
  - 3. The institution shall also provide OSRHE with copies of, or electronic access to, all documents the institution submits to HLC relative to the action including, but not limited to, institutional closure plans, teach-out agreements, and student records disposition plans. The institution shall follow its HLC-approved closure plan, and notify OSRHE when the closure is complete.
- 3.1.3 Private Institutions and Out-of-State Public Institutions

A. Authorization to Operate

To operate as a degree-granting institution in Oklahoma, a private or outof-state public institution must be authorized annually by the OSRHE. To qualify for authorization, an institution must:

1. Be institutionally accredited by an agency recognized by the Secretary of the USDE as a reliable authority as to the quality of education or training offered by institutions of higher education for the purposes of the Higher Education Act of 1965, as amended.

The accreditor of institutions that offer distance education in Oklahoma must be recognized by the USDE as an accreditor of distance education.

2. Be licensed, approved, authorized, or otherwise recognized to legally offer degree-related instruction by the federally recognized authorization entity in its home state or applicable federal or tribal approval, authorization, or licensing entity.

Institutions that do not meet these qualifications will not be considered for authorization to operate in Oklahoma.

B. Institutions that Require Authorization to Operate in Oklahoma

The following types of degree-granting institutions must be authorized to operate in Oklahoma by any modality.

- 1. Private institutions that do not participate in the Oklahoma Tuition Equalization Grant ("OTEG") as established by 70 O.S. §2630 et seq.
- 2. Out-of-state public institutions.
- 3. Private or out-of-state vocational or career training schools that offer one or more degree programs in Oklahoma.
- 4. Institutions participating in an approved state authorization reciprocity agreement that operate in Oklahoma outside the scope of the agreement.
- 5. Institutions that formerly participated in an approved state authorization reciprocity agreement that lose or otherwise forfeit their participation status.
- C. Institutions that are Exempt from Authorization

The following types of degree-granting institutions are exempt from this policy's authorization requirements:

- 1. Private institutions that participate in the OTEG program as established by 70 O.S. § 2630 et seq.
- 2. Institutions participating in an approved state authorization reciprocity agreement for activities within the scope of the agreement.
- 3. Post-secondary institutions that do not offer an academic degree program or degree-related instruction. These institutions are subject to the standards administered by the Oklahoma Board of Private Vocational Schools.
- 4. Institutions that offer online only distance education to military

connected students while the student is in Oklahoma for reasons related to military service.

- 5. Religious degree-granting institutions (see section 3.1.6 of this policy).
- D. Activities by Degree-Granting Institutions that Require Authorization
  - 1. Offering a degree program by any modality in Oklahoma.
  - 2. Offering synchronous or asynchronous degree-related instruction in Oklahoma by any modality.
  - 3. Operating an instructional location in Oklahoma.
  - 4. Operating a non-instructional location in Oklahoma.
  - 5. Awarding an academic degree to a recipient in Oklahoma.
  - 6. Dual or concurrent enrollment courses offered for college credit by a degree-granting institution to students in Oklahoma by any modality.
- E. Activities that Do Not Require Authorization
  - 1. Overnight field trips.
  - 2. Sports games or events.
  - 3. Social gatherings of students or alumni.
  - 4. Students participating in professional or student organization conferences or similar events.
  - 5. Participation in college fairs or other assembly of institutions in Oklahoma for the sole purpose of marketing the institution to prospective students. However, any activity consisting of, related to, or supporting taking payment, signing a contract or agreement with, or enrolling an Oklahoma student at a college fair in Oklahoma constitutes offering a degree program in Oklahoma and requires authorization.
  - 6. Placement of students into supervised field experiences, including but not limited to, student teaching or practica, clinical rotations, internships, externships, etc. However.
- F. Activities that are Exempt from Authorization
  - 1. Offering religious degrees which are used solely for religious purposes within a religious organization.
  - 2. Offering non-degree educational activities that feature religious instruction conducted by an accredited degree-granting institution.
  - 3. Offering religious degrees or religious education through, in partnership with, or in support of a religious degree offered by an Oklahoma religious institution.
  - 4. Religious degrees or religious degree-related instruction offered through concurrent enrollment by a degree-granting institution that is conducted in an Oklahoma primary or secondary educational institution.

- G. Revocation of Authorization
  - 1. An institution's authorization is subject to revocation at any time if:
    - a. The USDE withdraws its recognition of the institution's institutional accreditor.
    - b. The institution's USDE-recognized institutional accreditor places the institution on sanction, notice, probation or issues a show cause order; requires submission of a formal teachout, closure, or provisional plan; or withdraws the institution's accreditation.

Without limitation, an authorized institution that receives notice from its USDE-recognized institutional accreditor of any of the above actions must notify OSRHE within 14 calendar days of receipt of the notice.

c. The institution loses its licensure, approval, authorization, or other legal recognition to operate as a degree-granting institution by its home state, tribal, or federal authorizing entity.

Without limitation, an authorized institution that receives notice from its home state, tribal, or federal authorizing entity of an impending action by the entity to deny or withdraw the institution's authorization must notify OSRHE within 14 calendar days of its receipt of the notice.

- d. The institution fails to disclose any of the information required in this policy.
- e. The institution ceases to comply with or takes some action that is out of compliance with OSRHE policy.
- f. The USDE revokes an institution's existing eligibility to participate in Title IV Federal Student Aid programs.
- 2. Any revocation of authorization shall be done with reasonable notice to the institution and the institution shall be provided an opportunity to be heard.
- 3. Institutions that wish to appeal revocation shall follow procedures found in the *Academic Affairs Procedures Handbook*.
- 4. Institutions whose authorization to operate in Oklahoma has been revoked, denied, or non-renewed for any reason may reapply for authorization when the circumstances that caused the revocation are fully addressed and the institution can demonstrate that it has regained full compliance with OSRHE policy.
- H. Application and Authorization Fees

All institutions shall pay fees annually to apply for authorization and to operate as a degree-granting institution in Oklahoma.

1. Application Fees

a. Application Fee: \$500

An application fee of \$500 shall be paid by an institution to apply for initial authorization or re-authorization.

2. Authorization Fees

In addition to the application fee, institutions approved for authorization to operate in Oklahoma shall pay annually an authorization fee.

a. Initial Authorization Fee: \$2,500

An institution approved for authorization for the first time shall pay an authorization fee of \$2,500.

b. Re-authorization Fee: \$2,000

An institution approved for re-authorization shall pay a re-authorization fee of \$2,000.

3. Location Fee: \$1,000

In addition to the authorization or re-authorization fee, out-of-state institutions approved for authorization or re-authorization shall pay an annual location fee of \$1,000 per instructional location in Oklahoma. This fee does not apply to a school at which the institution offers concurrent enrollment or religious degrees.

I. Tuition Recovery Revolving Fund

Each private institution authorized by OSRHE shall pay to OSRHE a sum annually to be maintained in the Tuition Recovery Revolving Fund, a student tuition recovery fund ("STRF"). This payment is in addition to the application and authorization fees established in section 3.1.3.H. of this policy.

The STRF will be maintained between a minimum and maximum funding level to be determined annually based on enrollment of Oklahoma students in authorized private institutions.

Institutions required to pay into the Fund will be assessed annually until the maximum funding level is reached. If the Fund amount is reduced below the minimum funding level, assessments will begin again until the maximum level is regained. If the monies in the Fund are insufficient to satisfy all duly authorized claims, OSRHE may reassess authorized institutions as necessary, in addition to the annual assessment. Failure to pay the additional amounts assessed may result in revocation of authorization.

1. Initial Authorization Payment

A payment of \$2,500 shall be charged to all private institutions approved for initial authorization to operate as a degree-granting institution in Oklahoma.

2. Re-authorization Payment

A payment of 0.25 percent of the institution's annual gross tuition revenue received from Oklahoma students, or \$250, whichever is greater, shall be charged to all private institutions approved for reauthorization to operate as a degree-granting institution in Oklahoma.

J. Standards for Operation

All authorized institutions shall:

- 1. Be fully compliant with all applicable federal, state, and tribal laws and regulations.
- 2. Designate one individual as an institutional a location director who is responsible for the Oklahoma location's operations and administration, is authorized to work with OSRHE staff in the event of compliance issues and empowered to implement disaster recovery, teach-out, records disposition and other closure plans. One director may oversee multiple locations.
- 3. Maintain a current disaster recovery plan for Oklahoma students, both those served online from an out-of-state location and those attending a physical location in the state. The plan will include at a minimum how the institution will maintain the safety of students at Oklahoma instructional locations as well as instructional delivery and student records availability for all Oklahoma students during and after a disaster.
- 4. Maintain a current student records disposition plan for Oklahoma students. The plan will include at a minimum how Oklahoma students' ability to access their transcripts will be maintained during and after an institutional closure.
- 5. Disclose current and complete accreditation status on the institution's websites and in student catalogs or equivalent information provided to students or prospective students. Institutions shall not use the word "accredited," to describe either institutional or programmatic accreditation unless the accreditor is recognized by the USDE.
- 6. In any and all marketing, advertising, and promotional materials produced by or on behalf of the institution, that are published, broadcast, posted or otherwise disclosed or made available to members of the public or the armed services with the intent to provide information about the institution and its programs in order to generate student enrollment, including the institution's websites and student catalogs or equivalent information:
  - a. Not make misleading, deceptive, or inaccurate statements, including but not limited to, statements regarding institutional relationships with employers and graduate employment rates, salaries, and debt-to-earnings ratios.
  - b. Not be located in the employment or "help wanted" classified ads.
  - c. Not quote salaries for an occupation in the institution's advertising or promotional literature without including either the documented median starting wage of a majority of the institution's graduates who graduated within the most recent calendar year or a citation to a governmental agency or

nationally recognized source of the quoted salaries.

- d. Not make offers of institutional scholarships or partial institutional scholarships, unless the scholarships are bona fide reductions in tuition and are issued under specific, published criteria.
- e. Not make any overt or implied claim of guaranteed employment during training or upon completion of training, in any manner.
- f. Not indicate the institution is "supervised," "recommended," "endorsed," or "accredited" by OSRHE. Institutions that wish to indicate they are authorized by OSRHE must use this wording: "(Name of College) is authorized by the Oklahoma State Regents for Higher Education to operate as a degreegranting institution in Oklahoma."
- g. Include the correct name of the institution that is authorized by OSRHE as indicated in the authorization approval letter issued to the institution by OSRHE.
- 7. Provide on the institution's websites or in student catalogs or equivalent information the following information, at a minimum, regarding student complaints:
  - a. A procedure through which the institution acts on student complaints or grievances about the institution that is independent of procedures for Title IX and complaints about the conduct of other students.
  - b. A procedure for students to appeal to the institution decisions reached as a result of the institution's student complaint or grievance process.
- 8. Institutions operating in Oklahoma shall not:
  - a. Require an Oklahoma student to agree to mandatory or forced arbitration.
  - b. Prohibit or otherwise attempt to prevent an Oklahoma student from joining a class action or bringing claims consolidated with other individuals against the institution or any of its corporate parents, owners, subsidiaries, or affiliates.
  - c. Prohibit or otherwise attempt to prevent an Oklahoma student from discussing the institution's student complaint process or specifics about any final ruling by the institution or any third party representing the institution in response to the student's complaint.
  - d. Prohibit or otherwise attempt to prevent an Oklahoma student from pursuing a complaint with the institution's accreditor or any other authorizing, approval, or licensing entity.

K. Institutional Catalogue

Institutions shall make easily available on the institution's websites and provide to current and prospective students either electronically or in printed format an institutional catalog or equivalent document, publication, or informational content. The catalog or equivalent shall contain the information specified in the authorization application forms.

L. Enrollment Agreement

Prior to accepting payment, an authorized private or proprietary institution shall provide a prospective Oklahoma student a written enrollment agreement containing the information required in the authorization application form. The student shall be allowed a minimum of 7 calendar days between being presented with the full and complete agreement and being required to sign it. The agreement shall be written in a manner that is easily understandable by the general public, and contain, at a minimum, the information specified in the authorization application forms.

M. Reporting Requirements

Authorized institutions are required to report to the State Regents' office any of the below, using the appropriate form(s) provided by the OSRHE:

- 1. Any action that constitutes an institutional substantive change according to the institution's accreditor. Notification must include documentation of the request to the accreditor when it is submitted and approval from the accreditor when it is received.
- 2. Change in ownership or form of control that the institution is required to report to or obtain approval for from its accreditor, the USDE, or its federally recognized authorizing entity;
- 3. If the institution's accreditor places the institution on sanction, notice, probation or issues a show cause order; requires submission of a formal teach-out, closure, or provisional plan; or withdraws the institution's accreditation. Reporting of this action to the OSRHE is required within 14 calendar days of the institution's receipt of notice from the accreditor.
- 4. Intent to convert the institution from for-profit to non-profit or vice versa.
- 5. Intent to close an Oklahoma location.
- 6. Intent to open a new Oklahoma location.
- 7. Intent to start offering a program at a location in Oklahoma or online to Oklahoma students.
- 8. Intent to change the degree level of a program offered in Oklahoma.
- 9. Intent to delete or suspend a program offered in Oklahoma.
- 10. Notice of information related to a Title IV program review conducted by the USDE.
- 11. Changes or updates to the institution's student records disposition plan

for Oklahoma students.

- 12. Changes or updates to the institution's disaster recovery plan that will affect Oklahoma students.
- 13. Appointment of a new institutional:
  - a. President or CEO;
  - b. Location director; or
  - c. State authorization/regulatory compliance officer.
- 14. Placement of students in supervised field experiences, including but not limited to, student teaching or practica, clinical rotations, internships, externships, etc.

This requirement applies only to placements that students are required to complete in order to earn their degree, regardless of whether the institution, the student, or another party arranges, coordinates, supervises, or pays for the placement. It does not apply to graduated students who complete a placement to comply with licensure requirements.

N. Procedures for Authorization

Institutions seeking authorization to operate in Oklahoma shall follow procedures found in the *Academic Affairs Procedures Handbook*.

3.1.4 Publications/Marketing

In any and all marketing, advertising and promotional materials published, broadcast, posted or otherwise disclosed or made available to members of the public or the armed services with the intent to provide information about the institution and its programs in order to generate student enrollment, all institutions operating in Oklahoma shall:

- A. Not make misleading, deceptive, or inaccurate statements including, but not limited to, statements regarding institutional relationships with employers and graduate employment rates, salaries, and debt-to-earnings ratios.
- B. Not be located in the employment or "help wanted" classified ads.
- C. Not quote salaries for an occupation in the institution's advertising or promotional literature without including either the documented median starting wage of a majority of the institution's graduates who graduated within the most recent calendar year or a citation to a governmental agency or nationally recognized source of the quoted salaries.
- D. Not make any overt or implied claim of guaranteed employment during training or upon completion of training, in any manner.

## 3.1.5 Student Complaint Process

All institutions operating in Oklahoma are required to provide to students, at a minimum, in writing on the institution's website or in a student catalog or equivalent document or publication provided either electronically or in printed format, the following information:

- A. A procedure through which the institution receives and acts on student complaints about the institution that is independent of procedures for Title IX and student conduct complaints.
- B. A procedure for students to appeal to the institution decisions reached as a result of the institution's student complaint or grievance process.

Information regarding filing complaints with the State Regents against an institution can be found on the State Regents' website.

- 3.1.6 Religious Degree-Granting Institutions
  - A. Consistent with 70 O.S. § 4104(B)(1), authorization by the OSRHE or accreditation by an accreditor which is recognized by the USDE is not required for "religious degrees which are used solely for religious purposes within a religious organization or any institution of higher education whose primary purpose is to provide religious training or theological education and which is exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3)."
  - B. Additionally, the titles of religious degrees offered by religious degreegranting institutions pursuant to 70 O.S. § 4104(B)(1) "shall include a religious modifier. The religious modifier shall be placed on the degree, on the transcript, and wherever the title of the degree appears in official school documents or publications." (70 O.S. § 4104(B)(2)).
  - C. An unaccredited institution that wishes to be listed on the OSRHE website as an institution that offers religious degrees as described in 70 O.S. § 4104(B) may request that by submitting the appropriate form to OSRHE.

Submittal of the form to OSRHE shall not constitute an application for authorization or approval to offer the degree(s) in Oklahoma, nor shall acknowledgement of receipt of the form by OSRHE or the listing of the institution on the OSRHE website constitute approval or disapproval of authorization to operate in Oklahoma as a degree-granting institution or approval or disapproval of the institution's offering of the degree(s).

To offer its religious degrees in other states, a religious degree-granting institution is subject to the approval or authorization requirements of each state in which it wishes to offer its religious degrees.

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