

**CLARIFICATION ON “TEACH-OUTS” FOR DEGREE GRANTING  
INSTITUTIONS APPROVED PRIOR TO JANUARY 1, 2015  
OPTING OUT OF ACCREDITATION**

Dear Institution Administrator:

As you are aware, the California Private Postsecondary Education Act of 2009, California Education Code (CEC) section 94885.1, requires all degree-granting institutions approved by the Bureau prior to January 1, 2015, to be accredited by July 1, 2020. To that end, all unaccredited degree-granting institutions must provide an accreditation plan to the Bureau by July 1, 2015, if they intend to continue to offer any degree program.

If an institution does not plan to continue to offer any degree program after July 1, 2015, then it must do the following to comply with the law and ensure the orderly closure of any degree program for its currently enrolled students:

- Notify the Bureau **by July 1, 2015**, that it will not continue to offer any degree program after July 1, 2015, and provide the Bureau with the following pursuant to CEC 94926:
  - A teach-out or closure plan, including any agreements with any other institutions that will provide teach-outs of degree programs, and a plan for disposition of student records. The Bureau will approve teach-out plans on a case-by-case basis.
  - If no teach-out is planned, or for students who do not wish to participate in a teach-out, confirmation that student refunds will be provided within 45 days from July 1, 2015, and for institutions that participate in federal student financial aid programs, confirmation that the institution plans to refund and return federal student financial aid program funds.
- Immediately (but in no event later than July 1, 2015), cease to advertise, publicize, solicit, or recruit for any degree program.
- Immediately (but in no event later than July 1, 2015), cease to enroll any new students in any degree program.

If an institution decides to stop pursuing accreditation after it has an approved accreditation plan, then it must comply with Title 5, California Code of Regulations (5, CCR) section 74240. This requires the institution to:

- Immediately notify the Bureau in writing of the institution’s intent to stop offering degree program(s) and provide the Bureau with a teach-out plan that includes the items described in 5, CCR section 74240(a)(1)-(4);
- Notify students as required in 5, CCR section 74240(b);
- Provide refunds as required by 5, CCR section 74240(c).

Please Note: Failure of an institution to comply with these requirements, including the refund and teach-out obligations to students, will be considered a violation and subject to action by the Bureau.

If you have any questions, please contact the Bureau for Private Postsecondary Education, Dr. Benjamin Walker at [Benjamin.walker@dca.ca.gov](mailto:Benjamin.walker@dca.ca.gov) or by telephone at (916) 431-6934.