Summary of Procedures about Applying for Degree-Granting Authority in Texas for Nonexempt Private Colleges

Introduction

The steps outlined in this summary are for general reference purposes only. The summary is not meant to replace any laws or ordinances of the State of Texas, the official rules of the Texas Higher Education Coordinating Board (Coordinating Board), or the official rules of the Texas Workforce Commission (TWC).

While the primary responsibility of the Coordinating Board is providing leadership and coordination for Texas public higher education, the Coordinating Board also administers the laws regulating private and out-of-state public postsecondary institutions in Texas (Texas Education Code, Chapter 61, Subchapters G and H). However, a certificate of authority to grant degrees from the Coordinating Board is not accreditation; it is protection of the public interest while the institution pursues accreditation from a recognized accrediting agency.

The provisions of this summary do not apply to an “exempt” institution. An exempt institution is one that is either: (1) accredited to offer degrees at a specific level by an accrediting agency recognized by the Coordinating Board; or (2) approved by a Texas state agency which authorizes the school’s graduates to take a professional or vocational state licensing examination administered by that agency.

The first exemption applies only to the degree level for which the programs or institution is accredited. An institution that is accredited by an agency recognized by the Coordinating Board that wishes to expand to a different degree level may seek a certificate of authority by beginning with Step 2 of this summary. Information about the accreditation process and a listing of accrediting agencies recognized by the Coordinating Board can be found in the Appendix. (Please note that applicant or candidate status does not constitute accreditation.)

Exempt institutions interested in establishing off-campus units in Texas should refer to Summary of Procedures for Establishing a Branch Campus or Extension Center in Texas.

Step 1 B Applying to the Texas Workforce Commission for a Certificate of Approval to Operate or Do Business in Texas

The Coordinating Board is responsible for granting certificates of authority to grant degrees to institutions that are “non-exempt” (those covered under Subchapter G of the Texas Education Code). However, before applying to the Coordinating Board for a certificate of authority, a non-exempt institution must have been in operation for at least two years. At a minimum, “in operation”, means enrolling students and conducting classes. During this time, in the State of Texas, an institution may not grant degrees or credits toward degrees, advertise degrees or credits towards degrees, or use certain academic terminology in naming or designating the educational institution (e.g., use the term “college,” “university,” “law school,” etc.). The

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10Under Coordinating Board rules, public out-of-state institutions must meet the same standards for operation as private institutions. Therefore, any public out-of-state institution that wishes to operate in Texas with the authority to grant degrees or credits toward degrees, advertise degrees or credits towards degrees, or use certain academic terminology in naming or designating the educational institution (e.g., use the term “college,” “university,” “law school,” etc.) must have a certificate of authority from the Coordinating Board, or be exempt from this requirement. See introductory paragraphs 3 through 5.

11However, an institution that has been accredited by a recognized accrediting agency for at least 10 years may submit a letter to the Commissioner of Higher Education outlining the degrees to be offered at the higher level. The Commissioner may grant state authorization for such an institution to seek accreditation at the higher level with the recognized accrediting agency. See Step 6 of this summary.
Coordinating Board reviews and approves actual practices of an institution, not plans to grant degrees or college credits.

During its first two years of operation, an institution may be subject to the Career School Law (Texas Education Code, Chapter 132) which is administered by the Texas Workforce Commission (TWC). Before maintaining, advertising, soliciting for, or conducting any course of instruction in Texas, an institution must make written application to TWC and obtain either of the following: (1) a certificate of approval to operate or do business in Texas; or (2) a written exemption from the provisions of the Career School Law. An institution should not assume exemption from the provisions of this law. TWC has the legal authority to impose penalties or sanctions for violations of this law or TWC's rules pertaining to this law.

Career school and contact information for TWC is available in Sources of Additional Information.

Step 2 -- Applying to the Texas Higher Education Coordinating Board for a Certificate of Authority to Grant Degrees

Just prior to its being eligible to apply, an institution may complete an application for a certificate of authority to grant degrees in specified programs of study. The Coordinating Board has set the application fee for a certificate of authority to grant degrees at $5,000. This fee covers the average cost of on-site reviews, including expenses and consultant fees for the review team.

Accreditation, the goal of the certification process, may take up to eight years to achieve. In addition to making application to the Coordinating Board for a certificate of authority, it is important for an institution to begin working with a recognized accreditor. Information about accreditation and a listing of accrediting agencies recognized by the Coordinating Board can be found in the Appendix.

Step 3 -- Evaluation of the Institution’s Application for a Certificate of Authority to Grant Degrees

Note: The Board meets quarterly on a regular schedule in January, April, July, and October. Evaluations of institutions’ applications for certificates of authority to grant degrees in specified programs of study are conducted twice annually. Applications received by January 31 are reviewed in the spring of that year for consideration at the July Board meeting. Applications received by August 31 are reviewed in the fall of that year for consideration at the January Board meeting.

A team of independent, expert consultants conducts the actual evaluation of an institution’s application based on the institution’s compliance with the 21 standards listed in the Coordinating Board’s Rules and Regulations (Chapter 7, Section 7.7). The current standards are available on-line or by request. The evaluation includes an on-site visit of the institution.

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12Under the Texas Education Code, 132.001, “career school” is defined as “any business enterprise operated for a profit, or on a nonprofit basis, that maintains a place of business within this state [Texas], or solicits business within this state, and that is not specifically exempted by this chapter and: (a) that offers or maintains a course or courses of instruction or study; or (b) at which place of business such a course or courses of instruction or study is available through classroom instruction or by correspondence, or both, to a person. . .”

14The standards of the Coordinating Board are similar to accreditation criteria. Meeting the standards required by the Coordinating Board should assist the institution in meeting accreditation criteria.

15Generally, the visiting team consists of four members representing accredited institutions of higher education in Texas. Usually, two of the team members are drawn from faculty, one is drawn from administration, and one is a librarian.

16The Certification Advisory Council consists of six members, each of whom is appointed by the Board. Each member of the certification council has experience in higher education, with at least three of the members being drawn from private accredited institutions in Texas.
The Board-appointed Certification Advisory Council\textsuperscript{16} reviews the evaluation report from the team of consultants and any response from the institution. Based on the institution’s compliance with the 21 standards, the advisory council submits to the Commissioner of Higher Education a recommendation concerning the application.

The Commissioner of Higher Education forwards to the Board the recommendation of the Certification Advisory Council with either his endorsement or an alternate recommendation.

The Board votes to approve or deny the recommendation of the Commissioner. The decision to grant a certificate of authority to an institution is based on the institution’s compliance with the 21 standards at the time of the consultants’ on-site visit.

**Step 4 -- Approval or Denial of the Institution’s Application for a Certificate of Authority to Grant Degrees**

If the Board approves the institution’s application for a certificate of authority to grant degrees in specified programs of study, the Commissioner of Higher Education will issue to the institution the certificate of authority. The certificate will be valid for two years and will include the following: (1) the specific degree-granting authority of the institution; (2) the issue date; and (3) the expiration date. An institution awarded a certificate of authority may not state or imply that the certificate is accreditation or the equivalent of accreditation.

If the Board denies the institution’s application for a certificate of authority to grant degrees, the institution will not be eligible to reapply for a certificate of authority for a period of one year. Any subsequent application should show correction of deficiencies which led to the previous denial. Approval of a new application by the Board would return the institution to its status within the eight-year time period for achieving accreditation. (This eight-year requirement is covered in Step 2 of this summary.)

**Step 5 -- Renewals of the Certificate of Authority to Grant a Degree**

At least 180 days, but no more than 210 days, before the expiration of the currently held certificate of authority, the institution may apply to the Coordinating Board for a renewal of the certificate.

An institution may be granted consecutive certificates of authority to grant degrees for up to eight years. Absent sufficient cause, at the end of the eight years, the institution must have earned accreditation by an agency recognized by the Coordinating Board.

Procedurally, each application for renewal of the certificate of authority will be evaluated in the same manner as the initial application for the certificate of authority outlined in Step 3 of this summary. In addition, the evaluation will include the following: (1) the institution’s record of improvement; and (2) the institution’s progress toward accreditation.

Once the institution has achieved accreditation by an accrediting agency recognized by the Coordinating Board (or has received approval from a Texas state licensing agency which authorizes the school’s graduates to take that agency’s licensing examination), the institution no longer needs a certificate of authority from the Coordinating Board. This exemption from Coordinating Board oversight applies: (1) only to the degree level for which the programs or the institution is accredited (or approved); and (2) only as long as the institution maintains the accreditation by a recognized accrediting agency (or approval by a state licensing agency).\textsuperscript{17}
Step 6 -- Expansion to a Different Degree Level

An institution that has been accredited by an agency recognized by the Coordinating Board and that wishes to expand to a different degree level not covered by its existing accreditation may seek expanded degree-granting authority by one of the two methods below, as applicable.

(1) An institution that has been accredited by a recognized accrediting agency for less than 10 years may seek a certificate of authority to offer degrees at the higher level by the procedures outlined in Steps 2 through 4 of this summary.

(2) An institution that has been accredited by a recognized accrediting agency for at least 10 years may submit a letter to the Commissioner of Higher Education outlining the degrees to be offered at the higher level. The Commissioner may grant authorization for such an institution to seek accreditation at the higher level with the recognized accrediting agency.¹⁷

¹⁷The second condition for exemption includes only those campus locations which have received accreditation by a Board-recognized accreditor or approval by a state licensing agency.