

COMMISSION ON HIGHER EDUCATION
Chapter 62 Regulations Governing Nonpublic Postsecondary Institutions
Statutory Authority: 1976 Code Sections 59-58-10 through 59-58-140

This document includes the amendments through June 2008; [fee schedule](#).

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62-1. Authority to Issue Licenses to Certain Nonpublic Educational Institutions.

- A. Pursuant to the authority granted to the Commission on Higher Education by Chapter 58 of Title 59, South Carolina Code of Laws, 1976, as amended, regulations for the issuing of licenses to nonpublic educational institutions, and the issuing of permits to agents representing such institutions are hereby established.
- B. A license to operate a nonpublic educational institution or a permit to act as an agent for a nonpublic educational institution will be granted only to persons, partnerships, or corporations that have complied with Chapter 58 of Title 59, South Carolina Code of Laws, 1976, as amended, and the procedures and regulations of the Commission on Higher Education.

62-2. Definitions.

As used in these regulations, terms 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.

62-3. Exclusions.

As used in these regulations, the exclusions shall be those listed in Section 59-58-30 South Carolina Code of Laws, 1976, as amended.

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.

62-5. ~~Effect of Licensing on State Plan to Improve Access and Equity.~~

~~A. This regulation applies to degree-granting institutions only. The Commission may not license any institution to offer a degree if the Commission determines that the degree adversely affects the goals of its plan to improve access and equity minority affairs programs in public institutions of higher education. To help the Commission in making this determination, an institution seeking a license or seeking to amend a license to offer a new degree or to offer a degree at a new location shall provide the following information:~~

- ~~(1) Anticipated student enrollment for three years by race.~~
- ~~(2) Proposed faculty for three years by race.~~
- ~~(3) An explanation of how the proposed degree will affect efforts to afford equity and equal opportunity to postsecondary students in the State.~~
- ~~(4) A description of the anticipated effect of the offering on the racial composition of any similar degree or degrees offered by public colleges or universities in the State.~~

~~B. The Commissioner will evaluate the information provided by the proposing institution and will notify the appropriate committee of the Commission on Higher Education concerning the Commissioner's findings and recommendations.~~

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 in response to documented need. For specific program length and instructor qualifications, see Regulations 62- 9 through 62-13.
 - i. An accrediting body recognized by the U. S. Department of Education or the Council for Higher Education Accreditation must accredit out-of-state degree-granting institutions.
 - ii. Within a period of time that the institution may reasonably expect to meet the requirements, an in-state degree-granting institution must gain candidate or applicant status as appropriate for accreditation and subsequently accreditation from an accrediting body approved by the Commission, typically one recognized by the U.S. Department of Education or the Council for Higher Education Accreditation. The period of time to gain candidate status (up to four years) and accreditation (up to a total of eight years) will be determined by the Commission in consultation with the institution. To determine the appropriate accrediting agency and length of time within which an institution must gain candidate/applicant status and accreditation, the Commission must take into consideration the objectives and length of the programs and requirements of the accrediting body.
 - iii. An accrediting body approved by the Commission must accredit an in-state nondegree-granting institution before the institution seeks licensure to offer programs leading to degrees.
- 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. The institution must employ at least one full-time faculty for each major, curricular area, or concentration. This requirement may be met by faculty at the main campus and/or at

locations within South Carolina. A full-time faculty member is one whose major employment is with the institution, whose primary assignment is in teaching and/or research, and whose employment is based on a contract for full-time employment. Institutions must ensure that each faculty member employed is proficient in oral and written communication in the language in which assigned courses will be taught. The institution must keep on file for each full-time and part-time faculty member documentation of academic preparation, such as official transcripts and, if appropriate for demonstrating competency, official documentation of professional and work experience, technical and performance competency, records of publications, certifications, and other qualifications. Institutions are encouraged to recruit and select faculty whose highest degree is earned from a broad representation of institutions.

- 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. The policy must include the requirement for official transcripts of credit earned from institutions previously attended and qualitative and quantitative criteria for acceptability of transfer work. Institutions must award credit in accord with commonly accepted good practice in higher education. Institutions that award credit for experiential learning must do so under recognized guidelines that aid in evaluation for credit such as those prescribed by the American Council on Education. At least twenty-five percent of the program must be earned through instruction by the institution awarding the degree. Articulation agreements between associate and baccalaureate degree-granting institutions should be evaluated periodically to ensure an equitable and efficient transfer of students. "Inverted," "two-plus-two," and similar programs must include an adequate amount of advanced coursework in the subject field. Not more than sixty-four credit hours (approximately one-half) of a baccalaureate program may be transferred from a two-year (Level I accredited) institution. Out-of-state institutions offering programs at branch sites must grant transfer credit into the same programs at its principal location.
- E. The institution has developed satisfactory course and program outline(s); including syllabi for each course specifying goals and requirements, course content, methods of evaluation, and bibliography; 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. Site directors should be credentialed at the same level as the highest degree conferred at the site. Chief Academic Officers (those who choose faculty) must be credentialed at the same level as required for faculty. Exceptions must be documented and approved by the Commission. All administrative officers must possess credentials, experience and/or demonstrated competence appropriate to their areas of responsibility. The effectiveness of all administrators must be evaluated periodically. A person is considered to be of good reputation if:
 - (1) The person has no felony convictions related to the operation of a school, and the person has been rehabilitated from any other felony convictions;
 - (2) The 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 that carries a significant risk to the ability of the institution to continue operation;
 - (5) 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
 - (6) 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 consistent with the purposes of the institution. To be admitted to degree programs, applicants must provide official high school transcripts or GED scores. Official transcripts and GED scores must be a part of the admitted student's file.
 - 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.

62-6.2. Evaluation and Assessment.

The institution must have a clearly defined process by which the curriculum is established, reviewed, and evaluated. The institution must provide for appropriate and regular evaluation of the institution and its program and course effectiveness including assessment of student learning, retention, graduation rates, and student, graduate, faculty, and employer satisfaction. The results must be used to ensure and improve quality of instruction.

62-7. Bond Requirement.

- A. Before an institution is licensed, a surety bond must be provided by the institution. The obligation of the bond will be that the institution, its officers, agents, and employees will faithfully perform the terms and conditions of contracts for tuition and other instructional fees entered into between the institution and persons enrolling as students. The bond shall be issued by a company authorized to do business in the State. The bond shall be to the Commission, in such form as approved by the Commission, and is to be used for the benefit of students who suffer financial losses of tuition and fees prepaid to an institution. The losses must be as a result of the closing of the

institution. The Commission may use the funds to pay refunds of unearned tuition and fees, to pay for or subsidize the cost of providing facilities and instruction for students to complete their programs, or to pay expenses to store and maintain records of these students.

- B. The bond company may not be relieved of liability on the bond unless it gives the institution and the Commission ninety days notice by certified mail of the company's intent to cancel the bond. If at any time the company that issued the bond cancels or discontinues the coverage, the institution's license is revoked as a matter of law on the effective date of the cancellation or discontinuance of bond coverage unless a replacement bond is obtained and provided to the Commission.
- C. Before an original license is issued, the institution shall have executed a surety bond in an amount not less than ten percent of the projected annualized gross income of the proposed program(s) to be licensed, in ten thousand dollar increments. However, if the projected annualized gross tuition income of the proposed program(s) is less than five thousand dollars, the initial bond must be in an amount at least equal to the projected income, but in no event will the bond be less than five thousand dollars.
- D. The minimum amount of bond to be submitted with a renewal application will be based on the annual gross tuition income from licensed programs for the previous year. No additional programs may be offered without appropriate adjustment to the bond amount.

(1) Previous year's annual gross tuition income	Minimum bond
\$ 0 - \$100,000	\$10,000
\$101,000 - \$200,000	\$20,000
\$201,000 - \$300,000	\$30,000
\$301,000 and above	10%, calculated at \$100,000 increments

(2) For out-of-state institutions licensed to offer their program(s) to residents of the State, gross tuition income means that income generated from students enrolled in the State. The bond for an out-of-state institution shall not be less than \$20,000, unless otherwise specified by the Commission, but in no event shall be less than \$10,000.

- E. Institutions shall provide a statement by a school official and written evidence confirming that the amount of the bond meets the requirements of this regulation. The Commission may require that such statement be verified by an independent certified public accountant if the Commission determines that the written evidence confirming that the amount of the bond is questionable.
- F. Instead of the surety bond, the institution may pledge other means of collateral acceptable by the State Treasurer, in an aggregate market value of the required bond. The Commission shall deliver a safekeeping receipt of collateral to the State Treasurer to be held until the Commission serves notice for its release to 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 may 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.
- 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.

62-9. Program and Instructor Requirements for Certificate Programs.

- A. Certificate programs typically consist of one or more technical courses, usually completed in one to twenty-six weeks, with a single skill objective and at least twenty and no more than six hundred clock hours, thirty-six quarter credit hours or twenty-four semester credit hours. Generally, at least ninety percent of the program shall be in technical courses prescribed by the program's objectives.
- B. Certificate 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. Notwithstanding section B above, modeling instructors must have:
- (1) appropriate academic preparation or
 - (2) six months of acceptable experience in modeling or related specialized occupations and completion of a modeling or specialized program in the occupational area to be taught, or
 - (3) one year of acceptable experience in the occupational area of the training offered.
- D. Notwithstanding sections B and C above, tax preparation instructors must have:
- (1) appropriate academic preparation or
 - (2) six months of tax preparation experience within the last five years of which two hundred hours are within the last twenty-four months or a suitable update course within the past twelve months.
- E. Notwithstanding sections B, C and D above, the curricula and instructor requirements set by the Federal Aviation Administration for flight training will be the minimum standards.

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 at least 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 at least 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. Courses offered in non-traditional formats, e.g., concentrated or abbreviated time periods, must be designed to ensure an opportunity for preparation, reflection, and analysis concerning the subject matter. At least one calendar week of reflection and analysis should be provided to students for each semester hour of credit awarded (or equivalent for a quarter schedule so that a four-and one-half quarter hour course could be offered in no less than three weeks or a three-quarter hour credit course could be offered in no less than two weeks).
- 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 fifteen 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 fifty percent of credit hours required for completion of that program shall consist of college-level courses in the arts and sciences.
- D. Occupational degrees must include at least fifty percent of quarter or semester hours of related technical course instruction.
- E. 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).
- F. Remedial/developmental/deficiency/refresher courses shall not be credited toward a degree.
- G. 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 graduate semester hours in the teaching discipline and hold at least a master's degree or hold the minimum of the master's degree with a major in the teaching discipline. Exceptions to academic preparation may be made with the consent of the Commission.
- H. 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 (usually a bachelor's degree) 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.
- I. An institution must employ faculty members whose highest earned degree presented as the credential qualifying the faculty member to teach at the institution is from an institution accredited by an accrediting body recognized by the U.S. Department of Education. Exceptions may be made only with the prior consent of 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. An institution must employ faculty members whose highest earned degree presented as the credential qualifying the faculty member to teach at the institution is from an institution accredited by an accrediting body recognized by the U.S. Department of Education. Exceptions may be made only with the prior consent of the Commission.
- E. Teacher education and school personnel preparation programs must meet the requirements of the Commission on Higher Education and the program approval standards of the South Carolina Department of Education.

62-13. Program and Instructor Requirements for Graduate Programs.

- A. Master's degree programs normally require satisfactory completion of full-time study for one or more academic years beyond the baccalaureate degree. An institution must establish qualitative and quantitative requirements which result in the admission of students whose educational preparation indicates the potential for a high level of performance. Graduate study must be at a level of complexity and specialization that extends the knowledge and intellectual maturity of the student. Courses offered in non-traditional formats, e.g., concentrated or abbreviated time periods, must be designed to ensure an opportunity for preparation, reflection, and analysis concerning the subject matter. At least one calendar week of reflection and analysis should be provided to students for each semester hour of credit awarded (or equivalent for a quarter schedule so that a four-and one-half quarter hour course could be offered in no less than three weeks or a three-quarter hour credit course could be offered in no less than two weeks.
- B. With rare exception, graduate faculty members shall hold a terminal degree, usually an earned doctorate, in the field in which they teach. Students shall have sufficient access to these faculty members to provide meaningful interaction. An institution must employ faculty members whose highest earned degree presented as the credential qualifying the faculty member to teach at the institution is from an institution accredited by an accrediting body recognized by the U.S. Department of Education. Exceptions may be made with the prior consent of the Commission.
- C. A doctoral degree program normally requires satisfactory completion of three or more academic years of full-time study beyond the baccalaureate degree and evidence, usually a doctoral dissertation, of competence in independent research.
- D. Teacher education and school personnel preparation programs must meet the requirements of the Commission on Higher Education and the program approval standards of the South Carolina Department of Education.

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.

62-15. On-site Examination of Institution.

The Commission shall make, or cause to be made, an initial visit within the first year of licensing and subsequent annual visits to the institution's facilities when appropriate. The purpose of the visit is to confirm the documentation furnished by the institution and to find out whether the institution meets, or continues to meet, standards specified by the Commission. The facilities must be approved as a prerequisite to licensing. The Commission may waive on-site evaluation for an institution located outside the State or an institution offering home study or correspondence courses. If an examination is necessary to an out-of-state institution, the actual expenses incurred by the representative or representatives will be borne by the institution requesting licensing.

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, and full-time faculty and degrees held.
- 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," the Commission's mailing address and telephone number and a statement similar to the following: "Licensure indicates only that minimum standards have been met;" AND "it is not an endorsement or guarantee of quality" OR "it is not equal to or synonymous with accreditation by an accrediting agency recognized by the U.S. Department of Education."
- 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.

62-17. Tuition Policies.

- A. The total tuition for any specific program shall be the same for all persons enrolled at the same time. Group training contracts showing lower individual rates may be negotiated with business, industrial, or governmental agencies.
- B. Tuition changes for programs shall be justifiable, effective on specific dates and applicable to all who enroll thereafter.
- C. All extra charges and costs shall be revealed to the prospective student before he or she is enrolled.
- D. Combination home study/resident program fees must be approximately proportionate, such that the home study portion of the fee is not front-loaded and the in-residence portion of the fee is adequate to pay the costs of the in-residence training portion of the program.
- E. Charges for books, supplies and other fees must be reasonable to cover the institution's costs of the materials, plus a reasonable markup to pay overhead and profits. A set, predetermined charge for each term must be verifiable through the institution's financial records of expenses.

62-18. Cancellation and Refund Policy.

Institutions that the U. S. Department of Education has approved for eligibility for Title IV Student Financial Aid must comply with the federal regulations governing institutional refunds. The following applies in other instances:

- A. Each institution must maintain a cancellation and refund policy that must provide a full refund of monies paid by a student if:
 - (1) The student cancels the enrollment agreement or contract within seventy-two hours (until midnight of the third day

excluding Saturdays, Sundays, and legal holidays) after the enrollment contract is signed by the prospective student;

(2) The applicant is not accepted by the institution.

(3) For home study and combination home study/resident institutions, if lessons are distributed before the applicant is accepted by the institution or before the expiration of the seventy-two-hour cancellation period has expired, and the applicant is not accepted or cancels the contract within the cancellation period, a full refund will be made, even if a lesson (or lessons) have been completed.

B. The institutional refund policy shall provide for a pro rata refund calculation, except that this paragraph will not apply for any student whose date of withdrawal is after the sixty percent point (in time) in the period of enrollment for which the student has been charged.

(1) Pro rata refund is a refund for a student attending the institution for the first time of not less than that portion of the tuition, fees, room and board, and other charges assessed the student equal to the portion of the period of enrollment for which the student has been charged that remains on the last day of attendance by the student, rounded downward to the nearest ten percent of that period, less any unpaid charges owed for the period of enrollment for which the student has been charged, and less an administrative fee not to exceed one hundred dollars.

(2) The portion of the period of enrollment for which the institution charged that remains shall be determined:

(a) in the case of a program that is measured in credit hours, by dividing the total number of weeks comprising the period of enrollment for which the student has been charged into the number of weeks remaining in that period as of the last recorded day of attendance by the student;

(b) in the case of a program that is measured in clock hours, by dividing the total number of clock hours comprising the period of enrollment for which the student has been charged into the number of clock hours remaining to be completed by the student in that period as of the last recorded day of attendance by the student; and

(c) in the case of a correspondence program, by dividing the total number of lessons comprising the period of enrollment for which the institution has charged into the total number of such lessons not submitted by the student.

(3) After the student's first period of enrollment, a refund as provided in this section, except for room and board, must be made for students who withdraw in subsequent period(s) of enrollment due to mitigating circumstances. Mitigating circumstances are those that directly prohibit pursuit of a program and which are beyond the student's control: serious illness of the student, death in the student's immediate family, or active duty military service, including active duty for training.

(4) After expiration of the seventy-two-hour cancellation privilege, if the student does not attend, not more than one hundred dollars shall be retained by the institution.

(5) All efforts will be made to refund prepaid amounts for books, supplies and other charges unless the student has consumed or used those items and they can no longer be used or sold to new students, or returned by the institution to the supplier as "new" merchandise.

(6) Refunds shall be paid within forty days after the effective date of termination.

C. The refund policy for correspondence programs must provide that:

(1) The effective date of termination for refund purposes will be the earliest of the following:

(a) the date of notification to the student if the student is terminated by the institution;

(b) the date of receipt of notice from the student; or

(c) the end of the sixth calendar month following the month in which the student's last lesson assignment was received unless notification has been received from the student that the student wishes to remain enrolled. (In this event, the written notice from the student will be maintained in the student's permanent file.)

- (2) If tuition is collected before any lessons have been completed, and if, after expiration of the seventy-two-hour cancellation privilege, the student fails to begin the program, no more than one hundred dollars shall be retained by the institution.
- D. An institution is considered to have made a good faith effort to make a refund if the student's file contains evidence of the following attempts:
- (1) Certified mail to the student's last known address;
 - (2) Certified mail to the student's permanent address; and
 - (3) Certified mail to the address of the student's parent or listed next of kin if different from the permanent address.
- E. For programs consisting of a combination of home study lessons and resident training, not more than one hundred dollars will be retained by the institution for those students who fail to enter resident training.

62-19. Student Contract/Enrollment Agreement.

Nondegree granting institutions must enter into a written contract with each student outlining the obligations of both the institution and the student. A copy of the enrollment agreement must be furnished to the student at the time the agreement is executed. It must be clear that the agreement is a legally binding instrument. The enrollment agreement or contract must be in at least ten point type, and must include only the following:

- A. The name, address and telephone number of the institution.
- B. Basic student identification information such as the student's name, address, and telephone number.
- C. The name of the course or program of study, the number of hours or units of instruction or lessons, and the date training is to begin and end (anticipated).
- D. The costs incurred by the student to complete the training. Such costs shall be itemized and totaled, and shall include tuition, fees, books, supplies where appropriate, and all other expenses necessary to complete the training. The student enrollment agreement shall outline the method of payment or the payment schedule and items subject to cost change without notice shall be clearly identified.
- E. A statement acknowledging receipt of a copy of the institution catalog, bulletin or brochure and student enrollment agreement by the student.
- F. A clear and conspicuous disclosure of the required cancellation and refund policy, which must meet the minimum requirements set forth in Regulation 62-18.
- G. A clear and conspicuous disclosure of truth-in-lending requirements where the tuition is paid in installments.
- H. A statement that enrollment in the institution or completion of the program does not guarantee employment.
- I. A statement that the institution makes no claim or guarantee that credit earned will transfer to another institution.
- J. Such other information as the Commission may from time to time deem appropriate, such as information required by the institution's accrediting agency or other regulatory agencies.

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 or until no longer needed for reference as the Commission deems appropriate, 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 50 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 and address of the institution, an official's signature, and 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.

62-21. Agent Permits.

- A. Every agent or solicitor recruiting or enrolling students who are residents of the State for licensed program(s) off the premises of the institution, whether the institution is located in the State or outside the State, must secure a permit from the Commission. Application for the permit shall be made on forms prepared and furnished by the Commission. An applicant for a permit must not function as an agent or solicitor until he or she has been issued a permit.
- B. The institution shall be responsible and liable for the acts of its agents acting within the scope of his or her authority. The institution must familiarize its agents with the provisions of these regulations and the Nonpublic Postsecondary Institution License Act. A signed statement from each agent that the agent is familiar with the provisions of these regulations must be obtained and maintained by the institution.
- C. Agents must give a receipt for money collected and a copy of the enrollment agreement to each applicant at the time money is collected or the enrollment agreement is signed.
- D. Agents must display or produce his or her permit when requested to do so by any student, prospective student, parent, guardian, or by a member of the Commission or Commission staff.
- E. The permit is valid for one year, renewable annually from date of issue, if an application for renewal as prescribed by the Commission is filed thirty days before the expiration of the current permit and that the agent meets all the then applicable requirements of the Commission. Agents who continue to represent an institution after their permits have expired shall be subject to a penalty prescribed in Regulation 62-22.
- F. No agent is permitted to use a title that misrepresents his or her duties and responsibilities.
- G. Each applicant for an agent's permit shall furnish all information required by the Commission. The Commission may make such reasonable investigation of any applicant as it deems necessary to establish that the applicant is of good reputation and character. The Commission may deny, suspend or revoke the permit of a representative who has pleaded guilty or who has been convicted of a felony or of a crime of moral turpitude, whether within or without the State.

62-22. Revoking, Suspending, or Refusing to Issue a Permit.

- A. The Commission may revoke, suspend or refuse to issue a permit to any agent for any of the following:
 - (1) Violation of any provision of the act or any regulation of the Commission.
 - (2) Presenting or giving to a prospective student or his or her parent or guardian, information that is false, misleading, or fraudulent or that makes false or misleading representations concerning employment opportunities, or the possibility of receiving transfer credit at any other institution.
 - (3) Failing to display a valid permit when requested by a prospective student, his or her parent, or guardian, or any member of the Commission or Commission staff.
 - (4) Failing to provide information requested by the Commission while investigating a complaint.
 - (5) Failing to comply with laws of any state outside the State in which the agent is soliciting students.
- B. Permits shall be denied, revoked, suspended, or not renewed by the Commission according to procedures for notice, hearing, applicable depositions, subpoenas, other related due process matters and subsequent procedures in compliance with the Administrative Procedures Act, Chapter 23 of Title 1, South Carolina Code of Laws, 1976.
- C. Any agent having a permit revoked shall be prohibited from soliciting students for any institution governed by these regulations for one year following the date of the revocation.

D. At the option of the student or his or her parent or guardian, all contracts, enrollment agreements, or promissory notes solicited from the student or prospective student shall be void unless the agent holds a valid permit as required by these regulations.

62-23. Fees.

[NOTE: The following table reflects current fees. Regulation 62-23, Paragraph K gives the Commission authority to adjust fees based on the consumer price index or other appropriate economic indicator.]

Nonpublic Postsecondary License Fees		
Initial: One-half of one percent expected gross tuition income	Minimum	\$ 150.00
	Maximum	\$5,500.00
Annual: One-half of one percent last year's gross tuition income	Minimum	\$ 115.00
	Maximum	\$3,750.00
Late filing fees: More than five business days after the due date ten percent of the annual fee for each five business days the report is past due	Minimum for each five-day increment	\$ 50.00
Move an existing location or site		\$ 75.00
Additional program or site: One-half of one percent of the projected additional gross tuition income for the first year.	Minimum	\$ 75.00
	Maximum	\$2,750.00
Program or institution name change		\$ 30.00
Initial and renewal of agent permit		\$ 30.00
Re-issuance of agent permit		\$ 10.00
Transcript		\$ 10.00

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 fifteen dollars or more than five 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: \$75

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 two thousand 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: \$30.
- F. Initial and renewal of agent permit: \$30.
- 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 per year, 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."
- K. The Commission may periodically adjust fees based on the consumer price index or other appropriate indicator.

62-24. Periodic Reports.

Degree-granting institutions shall report to the Commission one-hundred twenty days before the license renewal date or anniversary date of license, or another date designated by the Commission, the information required for enforcement of this Chapter. Such reports shall comply with procedures defined by the Commission, and shall be accompanied by the annual fees as set forth in Regulation 62-23.

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 refund policy of the institution, 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.

- C. Notwithstanding an exemption from the oversight of the Commission, the Commission may intervene on the behalf of a person filing a complaint against an institution that is exempt from the oversight of the Commission. If merited and in the interest of consumer protection and in the absence of other means by which a person may have access to an oversight entity through which he or she may obtain assistance, the Commission may intervene. In its efforts to mediate an issue, the Commission may, through its complaint procedure, investigate an institution and encourage officials of an institution to make reasonable efforts to resolve the complaint in a fair and equitable manner.

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 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 matriculation of new students into 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.