



3624 Market Street  
 Suite 2 West  
 Philadelphia, PA 19104  
 (267) 284-5000  
 www.msche.org  
 Follow us: @mscheorg

**ADMINISTRATIVE  
 PROCEDURES**

**Dues and Fees Procedures 2019-20**

*Effective Date: July 1, 2019 – June 30, 2020*

Contents

- I. Purpose
- II. Procedures for Annual Membership Dues
- III. Procedures for Fees for Accreditation Activities
- IV. Additional Services Provided for a Fee
- V. Discovery and Litigation Expenses
- VI. Definitions

**I. Purpose**

The Middle States Commission on Higher Education (MSCHE or the Commission) seeks to ensure that it has clear policy and procedures for how the Commission sets and collects dues and fees from its membership. The purpose of these procedures is to implement the Commission’s *Dues and Fees Policy* and articulate the established annual schedule of membership dues and fees for accreditation activities.

**II. Procedures for Annual Membership Dues**

The Commission will assess annual membership dues which are comprised of (A) annual dues, and (B) site dues.

*A. Calculation of Annual Dues*

Annual dues are based on the total Education and General (E&G) expenditures reported by the institution. To calculate annual dues, find the appropriate range for E&G from Columns 2 and 3 in the table below. The amount shown in Column 4 represents the base dues. Find the difference between the institution’s actual E&G and the minimum E&G for that range. Multiply that amount by the “incremental dues per \$ of E&G” in Column 6 and add this amount to the base dues.

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
					<b>FY19</b>
	<b>Lower</b>	<b>Upper</b>	<b>FY19</b>	<b>FY19</b>	<b>Incremental</b>
<b>Range</b>	<b>E&amp;G</b>	<b>E&amp;G</b>	<b>Base</b>	<b>Maximum</b>	<b>Dues</b>
<b>Number</b>	<b>Range</b>	<b>Range</b>	<b>Dues</b>	<b>Dues</b>	<b>Per \$</b>
					<b>of E&amp;G</b>
1	\$0	\$4,199,999	\$1,738	\$1,738	\$0.000000000
2	\$4,200,000	\$7,999,999	\$2,032	\$2,321	\$0.000076053
3	\$8,000,000	\$11,999,999	\$2,321	\$3,570	\$0.000312250
4	\$12,000,000	\$15,999,999	\$3,570	\$5,135	\$0.000391250
5	\$16,000,000	\$19,999,999	\$5,135	\$6,463	\$0.000332000
6	\$20,000,000	\$23,999,999	\$6,463	\$7,949	\$0.000371500
7	\$24,000,000	\$29,999,999	\$7,949	\$9,692	\$0.000290500

8	\$30,000,000	\$35,299,999	\$9,692	\$11,765	\$0.000391132
9	\$35,300,000	\$41,999,999	\$11,765	\$12,716	\$0.000141940
10	\$42,000,000	\$65,999,999	\$12,716	\$12,999	\$0.000011792
11	\$66,000,000	\$99,999,999	\$12,999	\$13,209	\$0.000006176
12	\$100,000,000	\$199,999,999	\$13,209	\$16,543	\$0.000033340
13	\$200,000,000	\$499,999,999	\$16,543	\$19,871	\$0.000011093
14	\$500,000,000	\$999,999,999	\$19,871	\$23,179	\$0.0000066160
15	\$1,000,000,000	\$1,499,999,999	\$23,179	\$26,497	\$0.0000066360
16	\$1,500,000,000	\$1,999,999,999	\$26,497	\$29,815	\$0.0000066360
17	\$2,000,000,000	\$2,499,999,999	\$29,815	\$33,122	\$0.0000066140
18	\$2,500,000,000	\$5,000,000,000	\$33,122	\$34,729	\$0.0000006428

*B. Calculation of Site Dues*

Site dues are based on the sum of dues for branch campuses and additional locations. To calculate site dues for branch campuses, add \$410 for each of the first 10 branch campuses, add \$205 for each of the next 10 branch campuses, and add \$75 for each of the remaining branch campuses. To calculate site dues for additional locations, add \$410 for each of the first 10 additional locations with more than 500 students, add \$205 for each of the next 10 additional locations with more than 500 students, and add \$75 for each of the remaining additional locations with more than 500 students. The Commission does not include other instructional sites in its calculation of site dues. Definitions of branch campus, additional location, and other instructional site are provided in Section VI. Definitions.

*C. Billing Cycle and Payment Due Date*

The Commission will invoice accredited and candidate institutions for membership dues on an annual basis at the beginning of the fiscal year. The Commission will send the invoice to the chief financial officer of the institution. All dues are payable to the *Middle States Commission on Higher Education*. The full amount of the invoice is due within 30 days of the invoice date. Future changes in accreditation status, including institutions that are implementing a teach-out plan for the institution, do not alter the amount that is due.

*D. Failure to Pay Dues and Limitations on Membership Rights*

Institutions that fail to pay dues or fees within 12 months of the billing date are not in good standing with the Commission and may be subject to limitations on membership rights and privileges.

**III. Procedures for Fees for Accreditation Activities**

The Commission has established fees for accreditation activities which are described in the *Accreditation Activities Guidelines*. Institutions are responsible for the established fee, travel expenses for Commission representatives, and honoraria for each peer evaluator, as assigned by the Commission. The Commission will reimburse Commission representatives and then invoice the institution for fees, travel expenses, and honoraria associated with accreditation activities. See the Commission’s *Travel Policy and Procedures* for information about travel expenses. The Commission reserves the right to adjust honoraria.

In accordance with Commission’s *Travel Policy and Procedures*, direct financial transactions between host institutions and peer evaluators are prohibited. Institutions will not reimburse

Commission representatives directly.

The Commission will assess heightened fees for accreditation activities that require international travel, whether the institution is considered domestic or international. If an international fee is not indicated, the Commission will assess the same fees for domestic and international institutions in accordance with this schedule.

**A. Inquiries, Applications for Candidate for Accreditation Status, and Candidate Review**

The Commission has established the range of fees for inquiries, applications for candidate for accreditation status, and review of candidacy as listed in the table below. The inquiring, applicant, or candidate institution is responsible for the established fees, as well as travel expenses and honoraria for peer evaluators conducting the visit, if any (team chair \$325 or team member \$50). The applicant institution must submit the application fee upon submission of application materials. Subsequent re-applications each require resubmission of the listed fee. The Commission will invoice the institution during the application and candidate review process.

	<b>Domestic Fee</b>	<b>International Fee</b>
Pre-Applicant Inquiry Fee	\$1,000	
Applicant Information Session	\$2,500	
Application for Candidate for Accreditation Status	\$11,600	\$17,400
Applicant Commission Liaison Visit	\$5,900 + travel expenses for Staff	\$11,800 + travel expenses for Staff
Applicant Assessment Team Visit	\$8,800 + travel expenses + honoraria	\$17,600 + travel expenses + honoraria
Candidate Progress Visit	\$5,900 + travel expenses + honoraria	\$11,800 + travel expenses + honoraria
Candidate Show Cause Visit	\$8,800 + travel expenses + honoraria	\$13,200 + travel expenses + honoraria

**B. Self-Study Evaluation and On-Site Evaluation Visit**

The Commission has established the range of fees for the self-study evaluation as listed in the table below. The institution is responsible for the established fees, as well as travel expenses and honoraria for peer evaluators conducting the visit (team chair \$325 and each team member \$50). The institution is also responsible for self-study site visit fees to all branch campuses and 1/3 of additional locations that are visited as part of the self-study evaluation, as well as travel expenses and honoraria for peer evaluators who conduct the self-study site visit(s) (team chair \$150 or team member \$50). The Commission will invoice the institution during the self-study evaluation process.

	<b>Domestic Fee</b>	<b>International Fee</b>
Self-Study Preparation Visit	\$0 + travel expenses for Staff	
Chair's Preliminary Visit	\$0 + travel expenses	
Self-Study Evaluation Fee	\$7,600	\$15,200 + travel expenses + honoraria
On-Site Evaluation Visit	\$0 + travel expenses + honoraria	

Self-Study Site Visit Fees		
Each visited branch campus or additional location within the Middle States region	\$1,000 + travel expenses + honoraria	
Each visited branch campus or additional location outside the Middle States region	\$2,000 + travel expenses + honoraria	
Each visited additional location outside the U.S.		\$5,000 + travel expenses + honoraria
Chair's Report to Committee	\$0 + travel expenses	

**C. Mid-Point Peer Review (MPPR)**

The Commission has established the fee for the mid-point peer review (MPPR) as indicated in the table below. The institution is responsible for the established fee. The Commission will invoice the institution following the review.

	<b>Domestic Fee</b>	<b>International Fee</b>
Mid-Point Peer Review (MPPR)	\$4,900	

**D. Ongoing Monitoring Activities**

The Commission has established the following fees for ongoing monitoring activities as indicated in the table below. The institution is responsible for the established fees, as well as travel expenses and honoraria for peer evaluators conducting a visit, if any (team chair \$325 and each team member \$50). The Commission will invoice the institution following the review or visit.

	<b>Domestic Fee</b>	<b>International Fee</b>
Annual Institutional Update (AIU)	\$0	
Recommendations Responses	\$0	
Follow-Up Reports and Visits		
Supplemental Information Report (No Visit)	\$0	
Supplemental Information Report + Follow-Up Team Visit	\$2,900 + travel expenses + honoraria	\$5,800 + travel expenses + honoraria
Focused Report + Focused Team Visit	\$2,900 + travel expenses + honoraria	
Monitoring Report +	\$2,900 + travel expenses + honoraria	

Follow-Up Team Visit		
Show Cause Report + Show Cause Visit	\$5,000 + travel expenses + honoraria	\$10,000 + travel expenses + honoraria
Commission Liaison Guidance Visit	\$0 + travel expenses	
Out of Cycle Monitoring		
Out of Cycle Supplemental Information Report/ Request for Information (No Visit)	\$0	
Out of Cycle Supplemental Information Report/ Request for Information + Team Visit	\$2,900 + travel expenses + honoraria	\$5,800 + travel expenses + honoraria
Commission Liaison Guidance Visit	\$0 + travel expenses	

**E. Appeals Hearing Panel Review**

The institution is responsible for the costs of an appeals hearing panel if it chooses to appeal an adverse action. Such costs include without limitation, the cost of reproducing the institutional record for the parties and the Hearing Panel members, any Hearing Panel copying costs, travel, accommodation, transcript, facilities and other costs, as well as the Hearing Panel’s legal fees (if any) associated with its review of an Appeal. The Commission will notify the institution that it is required to submit a deposit against expenses. The Commission will subtract the cost of the appeal and issue a refund for the excess deposit if any. See the Commission’s *Appeals from Adverse Accrediting Actions Procedures*.

	<b>Domestic Fee</b>	<b>International Fee</b>
Appeals Hearing Panel	\$20,000 deposit (subtract cost of proceedings + travel expenses)	

**F. Teach-Out Plans and Agreements Review**

The Commission has no established fees for the review of teach-out plans or agreements.

	<b>Domestic Fee</b>	<b>International Fee</b>
Teach-Out Plan	\$0	
Teach-Out Agreements	\$0	

**G. Substantive Change Review**

The Commission has established the range of fees for substantive change review as indicated in the table below. The institution is responsible for the established fees, as well as travel expenses

and honoraria for peer evaluators conducting the visit, if any (\$150 for chairs and \$50 for each team member). The honorarium for a peer evaluator reviewing a complex substantive change will range based on complexity of the review, with a minimum honorarium of \$800. The Commission will invoice the institution upon submission of each individual substantive change request. See the Commission’s *Substantive Change Policy and Procedures*.

	<b>Domestic Fee</b>	<b>International Fee</b>
[Basic] Substantive Change Request Submission	\$1,800	
Site closure of location with no enrollment	\$300	
Reclassification of an Additional Location to Other Instructional Site (OIS)	\$750	
Substantive Change Site Visit	\$2,900 + travel expenses + honoraria	\$5,800 + travel expenses + honoraria
Complex Substantive Change Request Submission (Preliminary Form)	\$5,000 + legal fees	\$7,500 + legal fees
Complex Substantive Change-Change Request	\$17,400 + honoraria + legal fees	
Complex Substantive Change Site Visit	\$5,000 + travel expenses + honoraria	\$7,500 + travel expenses + honoraria

**IV. Additional Services Provided for A Fee**

The Commission has established the following fee for speaking or training services or visits by Commission staff to provide guidance specifically tailored to the institution in areas including but not limited to accreditation, outcomes assessment, substantive change, or distance education. The institution may request such services and is responsible for the fee and travel expenses for Commission staff. The Commission will invoice the institution upon completion of the visit.

	<b>Domestic Fee</b>	<b>International Fee</b>
Institution-requested Visit	\$4,100 + travel expenses	\$8,200 + travel expenses

**V. Discovery and Litigation Expenses**

If subpoena or court order is sought by a third party, the Commission will fulfill discovery requests in accordance with the Commission’s policy *Discovery Requests and Litigation Expense*. The Commission may, at its discretion, attempt to recover the costs related to the fulfillment of discovery requests including but not limited to copying, delivery, and staff time, if the member or third party serving the subpoena or document requests does not offer advance reimbursement.

If an institution commences litigation against the Middle States Commission on Higher Education, and the institution either withdraws or loses its case, then the institution will be

responsible to pay all MSCHE expenses and damages related to the litigation, including but not limited to reasonable attorney fees, staff time, and all discovery costs. The Commission will not be entitled to recover costs if judgment is entered for the institution and against the Commission. To the extent permitted by law, if the Commission is named to litigation initiated by a third-party but relating to activities or omissions of an institution, the institution will be responsible for the payment of all litigation expenses of the Commission, including but not limited to reasonable attorney fees, staff time, and discovery costs.

## VI. Definitions

The following definitions are used in this policy and/or procedures:

- A. Accreditation activity.** All activities (reviews, on-site visits, etc.) conducted by Commission representatives related to the institution's accreditation phase, accreditation status, or scope of accreditation occurring throughout the accreditation review cycle and during monitoring activities for an applicant or member institution.
- B. Additional location.** A domestic or international location, other than a branch campus, that is geographically apart from the main campus and at which the institution offers at least 50 percent of the requirements of an educational program. (*34 CFR §602.22*)
- C. Branch campus.** A domestic or international location of an institution that is geographically apart from the main campus, at which the institution offers at least 50 percent of the requirements of an educational program and is independent of the main campus. The branch campus is considered independent of the main campus if it is permanent in nature; offers credit bearing or title IV eligible courses in educational programs leading to a degree, certificate, or other recognized educational credential; has its own faculty and administrative or supervisory organization; and has its own budgetary and hiring authority. (*34 CFR §600.2*)
- D. Commission representative.** Any individual who represents or serves the Commission during the peer review process, including peer evaluators, Commission staff, and Commissioners.
- E. Education & General Expenditures.** Educational and general (E&G) is a functional classification used to organize expenses in financial statements. E&G expenses include all expenses that are normally categorized as instruction, research, public service, academic support, student services, institutional support, and scholarships and fellowships. E&G expenses do not include auxiliary enterprises, hospital services, and independent operations.
- F. Fiscal year.** A time period that MSCHE uses for accounting purposes and to establish a schedule of dues and fees. A fiscal year may not be the same as a calendar year.
- G. Honoraria.** A payment given for professional services that are rendered nominally without charge.
- H. Institutional record.** The compilation of all documentation that the Commission has on file related to the institution including but not limited to accreditation materials, complaints,

third party comments, and all correspondence of record.

- I. Other Instructional Site (OIS).** Any off-campus site, other than those meeting the definition of a branch campus or an additional location, at which the institution offers one or more credit-bearing or title IV eligible courses.
- J. Peer evaluator.** An individual who is selected and assigned to an accreditation activity by the Commission staff. This individual is part of the multi-level accreditation decision-making process and will participate in the proposal of an accreditation action. Peer evaluator is not intended to include a Commissioner serving in an official Commissioner capacity on a committee or the Commission. Peer evaluator is not intended to include an assistant or any other observer of an accreditation activity.
- K. Travel expenses.** Travel expenses are reasonable and necessary expenditures that a Commission Representative incurs while traveling on official Commission business which can include transportation, lodging, gratuity/tips, meals, and other incidental expenses directly related to the travel event.

Number: P1.8

Version: 2019-07-01, APPROVED, v. 2019-06-18

Effective Date: July 1, 2019-June 30, 2020

Previously Issued:

Approved: April 23, 2019 (Approved by Cabinet)

Revisions: (1/22/91; 7/22/94; 9/22/95; 5/15/96; 7/29/97; 5/12/98; 2/29/99; 06/1/01; 07/1/02; 9/3/02; 8/14/03; 11/20/03; 06/23/04; 8/7/06; 10/26/07; 2/26/08; 6/26/08; 4/23/09; 6/2/09; 6/15/09; 11/30/09; 7/1/10; 9/28/10; 4/1/11; 3/19/12; 4/1/12; 7/27/12; 7/1/13, 7/1/14, 9/1/14; 7/1/15; 7/1/16; 7/1/17; 7/1/18; 7/1/2019)

Related Documents: *Accreditation Activities Guidelines; Appeals from Adverse Accrediting Actions Procedures; Discovery Requests and Litigation Expense; Dues and Fees Policy; Substantive Change Policy; Substantive Change Procedures; Travel Policy; Travel Procedures*