



Guide to Third-Party Contracts and Consortium Agreements

The purpose of this document is to provide guidance on how to seek ABHES approval for third-party contracts and consortium agreements between or among different educational organizations. These organizations may be schools within a single larger postsecondary institution or between two or more different postsecondary institutions.

In accordance with Chapter I, Section B, Subsection 7 of the *Accreditation Manual*, an institution or program may enter into a consortium agreement as an alternative to case-by-case consideration of requests for transfer of credit with a partnering institution recognized by the United States Department of Education (USDE) or the Council for Higher Education Accreditation (CHEA). A consortium agreement may also provide for academic mobility, and continuity of financial aid, as applicable, for students while studying at an institution different than the student's designated school. The assumption is that the institution has found another school or organization's academic standards to be the equivalent to its own level of instruction.

Third-party agreements are typically created when an institution or program arranges to have specific services, or part of services, delivered by another entity. This agreement may be for a program or course(s), or it may be for the management of services, e.g. hosting LMS.

ABHES requires that an institution or program seeking approval of a third-party contract and/or consortium agreement submit the following: (1) a proposal that identifies the third party and the services to be provided under contract; (2) a copy of the proposed contract/agreement; and (3) a statement indicating that the institution or program retains responsibility for compliance with all ABHES requirements.

The following templates have been created for institutions considering entering into a third-party contract or consortium agreement for the first time and seeking assistance in developing the initial documents to be submitted for ABHES approval. At any time, if you have questions, contact the ABHES Office at (571) 291-0058 or Jchappell@abhes.org.

Consortium Agreement Template for Distance Education Courses

[HOME Institution], ABHES-accredited Institution or Program (herein referred to as HOME; and

[HOST Institution,] College or Program (herein referred to as HOST)

*The HOST Institutional accreditor must be an agency recognized by USDE or CHEA.

Purpose

The consortium agreement should identify the purpose of the agreement and set the guidelines for allowing students to enroll in required coursework in a distance education environment at the HOST institution towards completion of a program offered at the HOME Institution.

Responsibilities

Responsibilities of the HOME and HOST institutions must be specified. Below are examples of what might be included. You may include as many or as few as your specific agreement requires.

1. The HOME will determine a students' financial aid eligibility and will process, as applicable. Factors considered include but are not limited to the following:
 - a. Determining students' enrollment status
 - b. Calculating the cost of attendance,
 - c. Monitoring student eligibility and SAP
 - d. Calculating refunds and/or repayments,
 - e. Maintaining Financial Aid records.
2. The process for transferring courses between the institutions.
3. Both parties will comply with the Family Educational Rights and Privacy Act (FERPA) and all associated regulations, taking the necessary steps to ensure that confidential personal information is not disclosed or distributed unless necessary for this agreement.
4. Both parties agree to continue their respective policies of nondiscrimination based on Title IV of the Civil Rights Act of 1964 regarding sex, age, race, color, creed and National origin, and other applicable laws as well as the provision of the American Disabilities Act.
5. To the extent permitted by law, HOME and HOST shall indemnify, defend and hold harmless its agents and employees from any claims, demands or causes of action arising out of negligent acts or omissions of duty.
6. Ensure compliance with all applicable local, state and federal policies.

The HOME and HOST Institution normally reserve the right to revise or amend the consortium agreement as operational or regulatory needs require changes to be made, and such changes should be communicated promptly to the accrediting body.

The agreement is formalized where both parties sign attesting to the accuracy of the information. The HOME institution certifies its responsibility to demonstrate compliance with the ABHES Accreditation Standards as outline in the *Accreditation Manual*.

Third-Party Contract Template for Hosting Distance Education

The following information identifies the basic elements of a third-party contract.

[HOME], ABHES-accredited Institution or Program (herein referred to as HOME); and

[PARTNER] Organization (herein referred to as PARTNER)

Purpose

The Third-Party Contract normally identifies the guidelines for establishing a cooperative relationship between HOME and PARTNER.

Responsibilities

The responsibilities of the HOME and PARTNER must be specified. Below are examples of what might be included. You may include as many or as few as your specific arrangement requires.

Responsibilities of HOME institution:

1. Assume full responsibility for meeting all ABHES criteria and standards.
2. Facilitate the review and evaluation of the distance education resources provided by the PARTNER.

Responsibilities of PARTNER:

1. Host Learning Management System (examples include Blackboard, Moodle, Canvas) for HOME.
2. Provide faculty training on Learning Management System.
3. Provide faculty training for online learning pedagogy.

Mutual responsibilities of HOME and PARTNER:

1. Both parties will comply with the Family Educational Rights and Privacy Act (FERPA) and all associated regulations, taking the necessary steps to ensure that confidential personal information is not disclosed or distributed.
2. All parties agree to continue their respective policies of nondiscrimination based on Title IV of the Civil Rights Act of 1964 regarding sex, age, race, color, creed and National origin, and other applicable laws as well as the provision of the American Disabilities Act.
3. To the extent permitted by law, HOME and HOST shall indemnify, defend and hold harmless its agents and employees from any claims, demands or causes of action arising out of negligent acts or omissions of duty.
4. Ensure compliance with all applicable local, state and federal policies.
5. Ensure delivery model accommodates individuals with disabilities and ensure that they are compatible with appropriate assistive technologies.

Reimbursement of Services Rendered (example):

Indicate payment structure or agreement details, including payment dates and amounts.

Providing a Single Administrative Contact (example):

HOME and PARTNER to each appoint an individual, who will serve as the point of contact for communication between the two organizations. These individuals normally have the authority to make any and all decisions regarding the agreement and will act on behalf of their organization.

Duration of the agreement (example):

The term of the contract is to be specified from the date of execution and both parties may agree to automatically renew unless a party gives notice of non-renewal in advance of the expiration of the applicable term.

Both parties may at any time initiate changes to the contract. Both institutions reserve the right to modify programs as deemed necessary and agree to inform the appropriate individuals of said changes.

Institutional Commitment

Signatures by authorized representatives binds the contract between HOME and PARTNER.