



Policy IE003: Third-Party Providers

Recommended for Approval by: Susanne K. Fenske

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Effective Date: 08/22/2024

I. Intent

Pennsylvania Western University (PennWest) seeks to ensure the quality, integrity, and transparency of all activities conducted in its name, including services and programs delivered by third-party providers (TPP). PennWest is committed to the thorough review of the quality and integrity of institutional services and programs delivered through partnerships with third-party providers.

II. Responsibilities

PennWest staff will develop procedures as necessary to ensure the consistent implementation and management, assessment, oversight, and support of TPP that deliver services and programs on its behalf. See the *Third-Party Providers Procedures*.

Consistent with all guidelines and requirements pursuant to the MSCHE policy and procedures for TPPs the University locally establishes procedures on its behalf in these areas:

- 1) Inventory: a list of TPPs
- 2) Review: the evaluation of TPPs
- 3) Approval: language and requirements for TPP agreements
- 4) Disclosures: the public disclosure of TPPs

PennWest University must obtain internal and external approvals for any TPP arrangements as set out in the University's academic and non-academic policies, including its Purchasing Policy/Expenditure of Public Funds, or as otherwise required by the University's Council of Trustees, Board of Governors, PASSHE, MSCHE, or other accrediting body. Including Act 57 of 1998 and Board of Governors Policy 1998-04 to the extent and within the limits describe employees authorized to exercise presidential contracting officer authority. Any contract, articulation agreement, or transfer agreement with a TPP must ensure that PennWest retains responsibility for: management, assessment, oversight, and support of TPP that deliver services

and programs on its behalf.

III. Definition

Third-party provider. An entity, institution or organization that has a contract or written arrangement to provide services to the institution. A third-party provider (TPP) is considered ineligible if it is not accredited by a United States Department of Education (USDE) recognized accreditor and is not certified to participate in Title IV programs.

Note: According to MSCHE, TPPs include but are not limited to, the following types of services:

- The delivery of student learning opportunities such as non-credit, workforce development, internships, clinical experiences, student teaching, and/or credit bearing educational programs (Standard III and IV)
- Student support services such as advising, counseling, tutoring, international student management (such as English as a Second Language (ESL) support), marketing, recruitment, advertising, campus safety, food or dining services (Standard IV)
- Services for the assessment of student learning (Standard V)
- Operational or business functions of the institution such as procurement, information technology, or human resources (Standard VI)

IV. Record-Keeping

All TPP agreements will be maintained in a central database by the Office of Institutional Effectiveness and be available for regular review by the institution or representatives of the Middle States Commission on Higher Education. At a minimum, the University will maintain the following:

- A complete list of third-party providers;
- Name of educational program/service/operation
- A description of the services offered by the TPP
- The percent of the program taught by the provider, if education
- Written arrangement with the TPP; and
- Evidence of evaluation of the TPP.

V. Related policies

- Middle States Commission on Higher Education Third-Party Providers Policy
- Middle States Commission on Higher Education Third-Party Providers Procedures
- FA033: Purchasing Policy/Expenditure of Public Funds

VI. Contact Information

Office of Institutional Effectiveness

VII. Policy Review Schedule

Contact office responsible for dates.

Procedures: Third-Party Providers

Effective Date: August 22, 2024

A. Purpose

Pennsylvania Western University (PennWest) in compliance with Middle States Commission on Higher Education (MSCHE) policies and procedures for Third-Party Providers (TPP), is responsible for ensuring the quality, integrity, and transparency of all activities conducted in its name, including services and programs delivered by third-party providers. The purpose of this procedure is to outline PennWest's expectations for its work with third-party providers.

B. Definitions

- 1. Educational program.** A legally authorized postsecondary program of organized instruction or study that: (i) Leads to an academic, professional, or vocational degree, or certificate, or other recognized educational credential, or is a comprehensive transition and postsecondary program, as described in 34 CFR part 668, subpart O; and (ii) May, in lieu of credit hours or clock hours as a measure of student learning, utilize direct assessment of student learning, or recognize the direct assessment of student learning by others, if such assessment is consistent with the accreditation of the institution or program utilizing the results of the assessment and with the provisions of § 668.10. (federal definition in 34 CFR § 600.2) The Commission may also use the terms certificates and/or degree levels (Standard III – Design and Delivery of the Student Learning Experience).
- 2. Third-party provider.** An entity, institution or organization that has a contract or written arrangement to provide services to the institution. A third-party provider (TPP) is considered ineligible if it is not accredited by a United States Department of Education (USDE) recognized accreditor and is not certified to participate in Title IV programs.
- 3. Third-party servicer (TPS).** An individual, state or private profit or non-profit organization that enters into a contract with an eligible institution to administer, through either manual or automated processing, any aspect of the institution's participation in any Title IV, HEA program. An employee of an institution is not considered a third-party servicer, so long as they are not employed by or associated with a third-party servicer for an outside organization. (federal definition in 34 CFR § 668.2)
- 4. Written arrangement.** A written arrangement wherein an institution outsources some portion of one or more of its educational programs or educational business operations to a TPP that is not accredited. For purposes of substantive change, the institution is outsourcing more than 25 percent of credit-bearing educational programs to another institution or organization that is not certified to participate in Title IV, HEA programs.

C. Types of Arrangements Covered

The covered arrangements with TPPs that include but are not limited to, the following types of services:

1. The delivery of student learning opportunities such as non-credit, workforce development, internships, clinical experiences, student teaching, and/or credit-bearing educational programs (Standard III and IV);
2. Student support services such as advising, counseling, tutoring, international student management (such as English as a Second Language (ESL) support), marketing, recruitment, advertising, campus safety, food or dining services (Standard IV);
3. Services for the assessment of student learning (Standard V); and

4. Operational or business functions of the institution such as procurement, information technology, or human resources (Standard VI).
5. Contracts solely for goods, books, supplies, products, equipment or software programs are not subject to the TPP policy or procedures.

D. Procedures

Consistent with all guidelines and requirements pursuant to the MSCHE policy and procedures for TPPs the University locally establishes the following procedures for the management, assessment, oversight, and support of the TPPs that deliver services and programs on its behalf in these areas:

- 5) Inventory: a list of TPPs
- 6) Review: the evaluation of TPPs
- 7) Approval: language and requirements for TPP agreements
- 8) Disclosures: the public disclosure of TPPs

Inventory

The Office of Institutional Effectiveness will work with area Vice Presidents to maintain an inventory tracker of TPPs. The tracker will store the following information, at a minimum:

- The name of the TPPs (see definition)
- Name of the educational program/service/operation
- A description of the services offered by the TPP
- The percent of program taught by the provider, if educational
- The PennWest contact for the agreement with the provider
- Agreement start and end dates
- Check box indicating evidence of evaluations (see Review section for procedures) and if public disclosures have been made (see Public Disclosure section for more details).

In addition, each stakeholder will be responsible for maintain the written arrangements and/or contracts with TPPs for the delivery of student learning opportunities and will be expected to provide samples during the MSCHE accreditation process.

Review

PennWest will regularly assess and evaluate TPPs by appropriately credentialed representatives from the institution providing a consideration of results, and follow-up when warranted. Such assessment may include: student feedback, observations from PennWest staff, adequate completion of contracted key performance milestones, assessment plans and results, rubrics, or industry related standardized evaluations.

The Office of Institutional Effectiveness can assist in developing the appropriate assessment instrument if one is not available. In addition, the Office of Institutional Research will work with the area on the analysis of collected data if needed.

The dates of evaluations will be tracked in the inventory tracker and reviewed by the Office of Institutional Effectiveness annually for timeliness.

Approval

Any contract, articulation agreement, or transfer agreement with a TPP must ensure that PennWest University retains responsibility for: management, assessment, oversight and support of the third parties that deliver services and programs on its behalf.

At a minimum, all such contracts must address the following:

- Description of the services provided by the member institution
- Description of the services provided by the TPP, including how such services will be delivered
- Period of agreement
- Institution that will award credit and degree(s), if applicable
- Compensation for services by each party, including faculty
- Terms of evaluation and conditions under which the contract may be terminated and/or renewed
- Protections for students if contract is terminated or amended, if applicable
- Protections for the secure maintenance of student records, if applicable
- Procedures for addressing grievances
- Venue(s) for addressing perceived breach of contract, including appropriate legal jurisdictions.

Any agreement should ensure that PennWest retains systematic capacity to oversee and to the following program areas, including but not limited to:

- Teaching and instruction;
- Marketing, advertising, and recruitment materials;
- Admissions criteria;
- Tuition and fees;
- Enrolled student records, including measures for privacy and security of such records;
- Faculty qualifications and appointment;
- Curriculum planning and development;
- Course/program content and rigor, including any intellectual property;
- Outcomes assessment for student learning;
- Academic advising, counseling, tutoring, and support services;
- Awarding of course credit, degrees, or credentials;
- Transcripts

PennWest University must obtain internal and external approvals for any TPP arrangements as set out in the University's academic and non-academic policies, including its Purchasing Policy/Expenditure of Public Funds, or as otherwise required by the University's Council of Trustees, Board of Governors, PASSHE, MSCHE, or other accrediting body. Including Act 57 of 1998 and Board of Governors Policy 1998-04 to the extent and within the limits describe employees authorized to exercise presidential contracting officer authority:

- In any case where the University plans to outsource 100% of its key business operations or functions (e.g., IT, maintenance, security, etc.), it must obtain express approval from the President.
- In any case where the University plans to enter into a contract with an institution, whether a state-run, private for-profit or non-profit organization, to administer any aspect of the University's participation in any Title IV HEA program, there must be express approval from the President.
- The University must obtain prior written permission, in the form of a substantive change request, from MSCHE in the following scenarios:
 - When a TPP will deliver 25% or more of an educational program;
 - When the institution outsources some portion of one or more of its

- educational programs or educational business operations to a TPP that is not accredited (meaning it is not accredited by a US Department of Education recognized accreditor and is not certified to participate in Title IV programs), or
- When an online program manager (OPM) will deliver 25% or more of a credit-bearing educational program.

Such written arrangements for "delivery of the educational program" include any of the following: teaching, instruction, curriculum development, instructional design, online delivery of courses, assessment of student learning, marketing/recruitment, student support services, tutoring and/or advising.

The University must provide required notifications or obtain prior approvals from MSCHE in cases where less than 25% of a credit-bearing educational program is provided by a TPP.

Disclosures

PennWest will accurately represent the role of the TPP, including the truthful communication of information pertaining to services and comply with all required public disclosures.

- The institution must maintain oversight of marketing, advertising, and recruitment.
- Disclosures must be in clear, concise, student-focused language.
- The role and titles of staff from TPPs must be accurately represented.
- Written arrangements or contracts that outsource marketing, recruitment, and advertising to TPPs will receive intense scrutiny to ensure the institution maintains control of how the program or service is represented.
- If there is the appearance of misrepresentation or mischaracterization of the relationship with the TPP, the role of the TPP and/or any services that they may provide, the Commission may take any action available to it in accordance with Accreditation Actions Policy and Procedures.

Public Disclosures will include the following information, at a minimum:

- A description of the written arrangement, in clear, concise, student-focused language
- Information related to the portion of the educational program that the other entity will provide
- Method of delivery for the portion of the program that the institution does not provide
- Estimated additional costs that students may incur as a result of enrolling in a program offered through the written arrangement

The institution participating in Title IV student financial aid programs remains under USDE oversight and is required to report third-party servicers (TPS) for services related to the administration of Title IV student financial aid programs in accordance with federal regulations.