



## Proposed Standards for Subscription-Based Tuition

DEAC is proposing standards for subscription-based tuition models to ensure quality and accountability as institutions adopt more flexible, student-centered approaches to tuition and program delivery. Subscription models, which typically allow students to complete as many courses as they can within a set time period for a flat fee, are an increasingly viable model in distance education delivery systems. As part of its proposal for these standards, the DEAC aims to promote transparency, protect students, and ensure that academic progress and learning outcomes remain the central focus of these innovative models.

The Commission is proposing an addition to Part Four, Appendices, DEAC *Accreditation Handbook*, for implementing a subscription-based tuition model.

### (Proposed) Appendix XV: Subscription-Based Tuition Model

A Subscription-Based Tuition Model allows institutions to offer a variable amount of educational content to students during a defined period of time, referred to as a subscription period. Under this model, the institution charges students a recurring fee based on the length of the subscription, with the flexibility to accommodate varying amounts of coursework completed during that period. The specific terms related to subscription, renewal, and cancellation must be clearly communicated to students, ensuring transparency and consistency with DEAC's established standards.

While institutions may adopt the subscription model, it is essential that a refund policy is implemented in compliance with state requirements or, in the absence of such requirements, in accordance with DEAC's refund policy standards ensuring fairness and transparency for students and aligning with the broader principles of equitable financial practices. The following guidelines outline key considerations for the implementation of a subscription-based tuition model.

#### Active Participation and Inactivity

Institutions utilizing a subscription-based tuition model must clearly define active participation. Active participation may include submission of coursework, completion of assessments, or engagement in other specified academic activities. The institution should ensure that students are informed about these expectations at the time of enrollment.

Institutions are encouraged to establish reasonable criteria to define inactivity, such as failure to submit any coursework or to engage with the academic platform for a defined period. Institutions should document their processes for tracking student engagement and notifying students of non-participation.

If a student becomes inactive for a full subscription period, they must be notified by the institution. This notification should clearly state the potential consequences of continued inactivity and include the option to withdraw, pause the subscription, or resume engagement with coursework.

### Reaffirmation of Subscription Periods

To maintain an active subscription, students must periodically reaffirm their subscription. This reaffirmation can be achieved through an opt-in process or by acknowledging the start of each new subscription cycle. This reaffirmation helps ensure that students remain informed of their financial commitments and their ongoing participation in the program. The reaffirmation process must be clearly communicated to the student at least once every 12 months.

### Pausing Subscriptions

If the student chooses to pause their subscription, they must submit the request before the end of the current subscription period. Pauses should not exceed a predetermined maximum length (e.g., six months) and should allow the student to resume at the same point they left off upon resumption.

In addition, the Commission is seeking comment on proposed revisions for Appendix XIV. DEAC Refund Policy, Flexible Time Schedule Refund Policy:

#### **1. Flexible Time Schedule Refund Policy**

An institution that implements the flexible time schedule refund policy must clearly disclose the curriculum benchmarks in terms of assignments submitted for grading that indicate completion at 10 percent, 25 percent, and 50 percent intervals.

When a student cancels after completing at least one lesson assignment but less than 50 percent of the graded assignments, the institution may retain the application fee and one-time registration fee of no more than 20 percent of the tuition (not to exceed \$200) and library service fees, plus a percentage of tuition paid by the student in accordance with the following schedule:

<b>Percentage Completed by the Student</b>	<b>Percentage of Tuition Returned to the Student Minus the Application and/or Registration Fee</b>	<b>Percentage of Tuition Retained by the Institution</b>
Up to 10 %	90%	10%
>10% - 25%	75%	25%
>25% - 50%	50%	50%
>50% - 100%	0%	100%

Institutions utilizing a subscription-based tuition model will apply the Flexible Time Refund Schedule above, with the following adjustments:

- Completion of Content: The amount of content completed (e.g., the number of assignments or credits earned) will determine the percentage of tuition refunded, similar to the current policy benchmarks (10%, 25%, 50%).

- Application of Refund: The percentage refundable to the student based on the percentage of completion is applied only to the current subscription period, regardless of the length of the subscription period.

For the purposes of this refund schedule, non-attendance or non-activity during any subscription period will result in a pause in charges for the following period. The student must be notified after an initial period of inactivity (e.g., after one full subscription period). Institutions should give students the option to re-engage before being withdrawn or marked as inactive.

Institutions that implement a subscription model for programs with flexible timelines (not fixed-term courses) must ensure that their refund policies are consistent with the Flexible Time Refund Schedule as described above.

In keeping with DEAC's commitment to transparency and broad stakeholder input, DEAC is now seeking public comment on the proposed standards. All interested parties are invited to review the proposal and submit feedback within the next 30 days. Comments received during this period will be carefully considered by the Standards Committee and then by the Commission before any final action is taken.

[Please click here to submit comments.](#)