

## APPEAL PROCEDURE

**An institution may appeal only the following negative decisions: (1) denial of initial Accreditation as a result of a decision by the AACSB Board of Directors, or (2) revocation of accredited status as a result of a decision by the AACSB Board of Directors. The accredited status of the institution shall remain unchanged pending the outcome of a timely filed appeal of a negative decision; however, the appeal procedure specified herein is the exclusive remedy for an institution that believes a negative decision was unwarranted.**

The procedures for an appeal of a negative decision are:

1. An institution's appeal must be submitted to the AACSB International President within thirty calendar (30) days from the date of the negative decision. The grounds for an appeal are limited to the following: (a) the negative decision was arbitrary, capricious or otherwise in disregard of AACSB accreditation standards; (b) the negative decision was arrived at in disregard of AACSB procedures; or (c) the negative decision is not supported by evidence in the record on which the decision of the AACSB Board of Directors was based.
2. In submitting its appeal, the institution must detail each of the grounds upon which it bases its appeal ("Grounds for Appeal"). The institution shall provide AACSB with the original and [ # ] copies of its Grounds for Appeal and attach thereto the documentation and information upon which it intends to rely in support of its Grounds for Appeal.
3. In submitting its Grounds for Appeal, the institution cannot rely on any information or documentation unless that information or documentation had been submitted to AACSB prior to the time of the AACSB Board of Directors' negative decision, with the exception of additional financial information or documentation as noted below. Accordingly, in submitting its Grounds for Appeal, the institution must include a specific reference to where the information or documentation it is citing in its Grounds for Appeal can be found in the record that was before the AACSB Board of Directors at the time of the negative decision.

The sole exception to this requirement is dependent on the extent to which the basis for the negative decision was the institution's failure to meet AACSB financial standards. The institution may provide financial information that was not part of the record before the AACSB Board of Directors at the time of the negative decision, if the institution can demonstrate to the satisfaction of the Appeal Panel that the additional financial information it seeks to provide as part of its Grounds for Appeal was (a) unavailable at the time of the negative decision of the AACSB Board of Directors, and (b) bears materially on the financial

deficiencies that were the basis for the determination that the institution failed to meet AACSB financial standards.

4. In submitting its Grounds for Appeal the institution shall pay an advance deposit toward the costs and expenses of AACSB in processing its appeal. Payment of this advance deposit is a condition precedent to filing a timely appeal.
5. The institution has the burden of proof with regard to its appeal.
6. Within thirty (30) calendar days of receipt of the institution's Grounds for Appeal, the AACSB board chair (or designee) shall provide the institution with a complete list of the members of the Accreditation Council and identify the three Accreditation Council member representatives on that list who are willing and qualified to serve on an Appeal Panel and possessing knowledge of the accreditation standards and processes applicable to the respective accounting or business programs which are the subject of the appeal. Within seven (7) calendar days of receipt of those names, the institution will remove two names from the list and notify the AACSB board chair (or designee) of its decision.
7. Concurrent with its notification of the two names it has removed, the institution shall provide AACSB with three names of Accreditation Council member representatives willing and qualified to serve on the Appeal Panel and possessing knowledge of the accreditation standards and processes applicable to the respective accounting or business program which is the subject of the appeal. Within seven (7) calendar days of receipt of those three names, AACSB shall notify the institution of the two names it has removed.
8. Within twenty-one (21) calendar days of confirmation of their joint appointment, the two members thus chosen shall select a third member of the Accreditation Council willing and qualified to serve on the Appeal Panel and possessing knowledge of the accreditation standards and processes applicable to the respective accounting or business programs which are the subject of the appeal.
9. The Appeal Panel shall not include any members of the peer review team, accreditation committees, or Board of Directors who participated in the process leading to the negative decision under appeal. Members of the Appeal Panel shall comply with the requirements and provisions of the AACSB Conflict of Interest Policy.
10. The Appeal Panel shall select one of its members to serve as Chair. The Chair of the Appeal Panel shall determine the date of the hearing and shall notify all parties at least thirty (30) calendar days in advance of the hearing. The hearing shall be an open proceeding unless the institution requests in writing that it be closed, which request must be made within seven (7) calendar days of notice of the hearing date. The hearing shall occur within six (6) months of the negative

decision and be held at the AACSB International Headquarters location or at such other location as AACSB and the institution may agree.

11. AACSB shall provide each member of the Appeal Panel with a copy of the Grounds for Appeal, a copy of the record under review, and subsequent correspondence to and from the institution. All information and documentation provided to the Appeal Panel by AACSB shall simultaneously be provided to the institution.
12. All costs and expenses incurred by AACSB in providing for the appeal, the hearing, expenses of the Appeal Panel, and all other expenses (exclusive of legal fees, if any) in connection with the appeal shall be borne by the institution, except where the Appeal Panel finds that the negative decision was arbitrary, capricious or otherwise in disregard of AACSB accreditation standards. Should the Appeal Panel find that the negative decision was arbitrary, capricious or otherwise in disregard of AACSB accreditation standards, AACSB shall bear fifty percent of all costs and expenses for the appeal.

These costs and expenses include the hearing costs, transcription costs, and travel costs of the Appeal Panel and of the staff and other representatives of AACSB at the hearing. AACSB will calculate and submit to the institution its estimate of those costs and expenses as soon after the Grounds for Appeal has been submitted as is practicable. Within twenty (20) calendar days of the date of that estimate, the institution shall advance to AACSB the full amount of those estimated costs and expenses. Should subsequent events cause AACSB to increase its estimate, AACSB has the right to request the institution to advance that additional amount within twenty (20) calendar days of the date of that revised estimate. Failure to advance the sums requested by AACSB in a timely manner shall be made known to the Appeal Panel, which shall have the right to treat the appeal as abandoned and issue a decision so stating, which decision shall be final and binding on the institution. As soon as practicable following the hearing, the expenses associated with the appeal will be calculated. The final costs associated with the appeal shall be deducted from the estimated deposit(s), and the balance will either be billed or refunded to the institution.

13. The hearing shall be transcribed before a court reporter and a transcript of the hearing shall be provided to the Appeal Panel, the institution and AACSB. The costs of these transcripts shall be borne by the institution.
14. The institution and AACSB shall have the right to appear before the Appeal Panel, to be represented by counsel, and to present opening statements, all within the limitations prescribed by the Chair of the Appeal Panel. The hearing, which customarily will not take more than two (2) hours to complete, shall proceed in the following manner:

The Chair of the Appeal Panel shall describe the standard of review the Appeal Panel will utilize in the conduct of the appeal and the procedures that will be followed.

The institution or its counsel shall then offer an opening statement summarizing the institution's grounds for the appeal.

AACSB or its counsel shall then offer an opening statement summarizing AACSB's position on the issues presented in the original negative action.

After the opening statements, the Appeal Panel may ask questions directed to the institution, AACSB or both related to the record on appeal or any of the issues raised by the institution or AACSB. Counsel may fully participate. AACSB and the institution may not address each other, call witnesses, or introduce new evidence<sup>1</sup>.

The institution or its counsel may then, but shall not be required to, offer a closing statement, following which the hearing will adjourn.

The institution, AACSB and members of the Appeal Panel are expected to adhere to the time limits set forth herein. Any changes in the schedule must be approved by the Appeal Panel.

15. In reviewing the negative decision on appeal, the Appeal Panel shall determine whether the institution has carried its burden of proof that, based on the information or documentation that was part of the record before the AACSB Board of Directors at the time of the negative decision, (a) the negative decision was arbitrary, capricious or otherwise in substantial disregard of AACSB accreditation standards; (b) the negative decision was arrived at in substantial disregard of AACSB procedures; or (c) the negative decision is not supported by substantial evidence in the record.
16. If and to the extent the basis for the negative decision was the institution's failure to meet AACSB financial standards, and the institution has submitted additional financial information, the Appeal Panel shall determine whether the institution has carried its burden of proof that the additional financial information the institution provided was (a) unavailable at the time of the negative decision, (b) bears materially on the financial deficiencies that were the basis for the determination that the institution failed to meet AACSB financial standards, and (c) the institution now meets those AACSB financial standards.
17. The Appeal Panel does not have the authority to grant initial accreditation or renew an institution's accreditation. The Appeal Panel must either uphold the

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<sup>1</sup> An institution may introduce new evidence under the circumstances and within the guidelines noted in sections #3 and #16.

- negative decision or remand the negative decision. The Appeal Panel shall act by majority affirmative vote; a remand shall only be approved if at least two members of the Appeals Panel vote to remand. The committee shall take such action as it shall deem appropriate, consistent with AACSB rules and procedures, and shall refer such action to the AACSB Board of Directors, whose decision shall be final and not subject to further appeal.
18. A remand shall result in the negative decision being vacated and the matter of the grant of initial accreditation or revocation of accreditation, as applicable, returned to the appropriate accreditation committee, which shall reconsider the denial of initial accreditation or withdrawal of accreditation, as applicable, taking into account such recommendations as were made by the Appeal Panel.
  19. The decision of the Appeal Panel shall be in writing and shall include a statement of the grounds for the decision and any recommendations respecting consideration on remand. The written decision shall be submitted to the institution and AACSB within thirty (30) calendar days of the hearing
  20. The decision of the Appeal Panel shall be final. No requests for reconsideration by the Appeal Panel are permitted or shall be considered.
  21. An institution that appeals a negative decision and that negative decision is upheld by the Appeal Panel or upon remand may not re-enter the AACSB accreditation process for a minimum of three years following the decision of the Appeal Panel or the remand, as applicable. Should the institution withdraw from or abandon the appeal process after the filing of Grounds for Appeal at any time, the initial action shall stand and the three year exclusion period shall apply from the date of withdrawal or the decision of the Appeal Panel determining that the institution has abandoned its appeal.

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