



**The University of North Carolina**

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**MEMORANDUM**

TO: Committee on Educational Planning, Policies, and Programs

FROM: Erskine Bowles 

DATE: January 3, 2008

SUBJECT: Licensure of Carland College to offer two degree programs electronically with educational instruction originating in Asheville, NC

The Board of Governors of the University of North Carolina is charged under North Carolina General Statute Section 116-15 with responsibility for licensing nonpublic educational institutions to conduct post-secondary degree activity in North Carolina. In November 2004, the Board of Governors approved revisions to the document, *Rules and Standards: Licensing Nonpublic Institutions to Conduct Degree Activity in North Carolina*. This document provides the guidelines for interpreting the standards, and the rules, regulations, and procedures under which the Board issues licenses to institutions to conduct post-secondary degree activity in North Carolina.

Carland College applied for licensure to offer the following degree programs exclusively electronically with educational instruction originating in Asheville, NC: Bachelor of Science in Entrepreneurship and Master of Entrepreneurship.

Dr. Harry Williams reviewed the application and appointed a team of examiners to determine if Carland College complied with the licensure standards outlined in *Rules and Standards*. On October 29, 2007, the team of examiners visited with representatives of Carland College in Asheville, NC. Carland will not maintain a campus and will teach exclusively through electronically supported online media. Following the site visit, the team of examiners issued its report with suggestions and recommendations, and a final recommendation to grant an interim permit for licensure to the proposed degree programs. Dr. Williams agrees with the team's review and recommendations. For more details on the recommendations and the responses for the proposed degree programs, please review the summary.

Thus, I recommend to the Committee on Educational Planning, Policies, and Program of the UNC Board of Governors that an interim permit for licensure be granted to Carland College to offer electronically the previously mentioned proposed degree programs with educational instruction originating in Asheville, NC, subject to annual reports and review at any time. After one year has elapsed, Carland College will be reviewed to judge whether the institution continues to maintain standards for licensure.

Enclosure: Summary

## **SUMMARY OF VISIT OF TEAM OF EXAMINERS FOR CARLAND UNIVERSITY IN HIGHLANDS, NC**

### **BACKGROUND INFORMATION**

The Entrepreneurship, Innovation and Leadership Group, LLC (EIL), a limited liability company chartered in the State of North Carolina, has filed a licensure application to start Carland University, LLC, which would also be chartered in the State of North Carolina. The new institution would be a wholly-owned subsidiary of EIL, LLC. (The team of examiners recommended the proposed institution would be more appropriately titled "Carland College." Further details regarding the recommendations can be found below.) Carland would be a new institution, and it is seeking an interim permit. The institution intends to conduct post-secondary degree activity electronically and its instructional activity will originate in North Carolina. Dr. JoAnn C. Carland, Co-President and Chief Executive Officer, and Dr. James C. Carland, Jr., Co-President, Vice President for Academic Affairs are retired faculty members from Western Carolina University.

### **THE APPLICATION AND SITE VISIT**

On July 9, 2007, Carland submitted an application and supporting documentation to offer the following three degree programs:

- Bachelor of Science in Entrepreneurship (B.S.E.)
- Master of Entrepreneurship (M.E.)
- Doctor of Philosophy in Entrepreneurship

(It was determined that the Doctor of Philosophy in Entrepreneurship would not be reviewed.)

Accordingly, a team of examiners with expertise in the specific disciplines relating to the application was assembled by Dr. Harry Williams, Interim Associate Vice President for Academic Affairs. The team included Dr. Richard E. Neel (Chair), Dean Emeritus, Belk College of Business, and Professor of Economics Emeritus, University of North Carolina at Charlotte, Charlotte, North Carolina; Charles J. Popovich, Head Librarian, Business Library, and Associate Professor, Ohio State University, Columbus, Ohio; Dr. Matthew Valle, Professor of Management, and former Chair of the Department of Business Administration, The Martha and Spencer Love School of Business, Elon University, Elon, North Carolina; and Dr. Harry L. Williams, Interim Associate Vice President for Academic Affairs, The University of North Carolina General Administration, Chapel Hill, North Carolina, *Ex Officio*.

The team's task was to review the application and to participate in a site visit to determine if the institution demonstrated compliance with the *Rules and Standards: Licensing Nonpublic Institutions to Conduct Post-Secondary Degree Activity in North Carolina (revised November 2004)* (referred to in the rest of this summary as the *Rules and Standards*). The October 29, 2007 visit with representatives of Carland was in Asheville, North Carolina. In the original application document, the physical facilities were to be located in Highlands, NC; however, Carland has requested approval to operate its electronic instruction facilities in Asheville, NC.

Carland plans to seek immediate accreditation from an accrediting body recognized by the U.S. Department of Education and the Council on Higher Education Accreditation (CHEA). As soon as it has been in existence long enough to meet the requirements of the Commission on Colleges of the Southern Association of Colleges and Schools (SACS), Carland intends to seek SACS accreditation.

During the visit, the team of examiners met and conducted phone interviews with numerous faculty, staff, and students. These meetings included: Dr. JoAnn C. Carland, Co-President, Chief Executive Officer, and faculty member; Dr. James C. Carland, Jr., Co-President, Vice President for Academic Affairs, and faculty member; Susie deVille Schiffli, Vice President, Chief Operations Officer, and faculty member; Dr. Janet L. Dye, future Chief Financial Officer and faculty member and presently is a Professor of Accounting at the University of Alaska Southeast; Dr. Amanda B. Degelsmith, faculty member; Ranjeev Cardoza, Director of Technology, faculty member, and former master's degree student of the Drs. Carland; James W. Carland, III, faculty member and former master's degree student of the Drs. Carland; Abe Inkidar, member of the Board of Directors of the proposed Carland College, LLC and former master's degree student of the Drs. Carland; Joel Patrick Berger, President of the C. Berger Group, Inc., a library consulting firm located in Carol Stream, Illinois; four former master's degree students of the Drs. Carland.

#### **DEGREE PROGRAMS**

The proposed Bachelor of Science in Entrepreneurship degree program (B.S.E.) will require the completion of a minimum of 120 semester hours of work. A minimum of 30 semester hours of that work must be completed at Carland and a maximum of 90 semester hours may be transferred to Carland, in accordance with the transfer policies outlined in the proposed Catalog. Carland will require the satisfactory completion of a minimum of 44 semester hours, or their equivalent in quarter hours, in general education for the Bachelor of Science in Entrepreneurship degree. This requirement will be satisfied by the transfer of credit, in accordance with the transfer policies outlined in the proposed Catalog. Carland will not offer any general education courses.

The proposed Master of Entrepreneurship degree program (M.E.) will require the completion of a minimum of 30 semester hours of work beyond the baccalaureate degree. A minimum of 18 semester hours of that work must be completed at Carland and a maximum of 12 semester hours may be transferred to Carland, in accordance with the transfer policies outlined in the proposed Catalog.

Carland will not maintain a campus and will teach exclusively through electronically supported online media.

#### **RECOMMENDATIONS**

Following the visit, the team submitted to General Administration, on November 17, 2007, a Preliminary Report to the President of The University of North Carolina from the Team of Examiners for the Licensure Visit to Review the Proposed Bachelor's and Master's Degree Programs in Entrepreneurship To Be Offered Exclusively Electronically by the Proposed Carland College To Be Located in Highlands, North Carolina. (Carland has since requested their

location to be in Asheville.) The preliminary report of the team's findings was forwarded to Carland for correction of factual errors and/or significant omissions. Included in the report were sixteen recommendations and one suggestion. Recommendations must be addressed by the institution. Suggestions, however, are written for the institution's benefit, and do not need to be addressed by the institution; they reflect the professional judgment of team members, and do not signify that the institution is not in compliance with the *Rules and Standards*.

The recommendations for Carland were as follows: One recommendation that the institution justify its use of the name Carland University instead of Carland College; Three recommendations regarding supplying General Administration documents including the Articles of Organization, proof of compliance with ordinances and laws regarding safety and health and all persons upon the premise of the institution, and a copy of the lease and certificate of occupancy for its physical facilities; Four recommendations regarding the library including meetings with the library consultant, adding additional databases, adding an icon for NC LIVE on its website, and an icon on syllabi for the Jones e-Global Library; Two recommendations requiring all students to have their own computer with internet access and further recommending modification of the proposed catalog indicating students must have their own computer with internet access; Two recommendations regarding appropriate faculty credentials to teach in the proposed degree programs. And, finally, there were four standard requirements—regarding provision for archiving records, providing a copy of the tuition guaranty bond prior to the start of classes in North Carolina, a statement by an independent certified public accountant, at the end of the first fiscal year at its North Carolina site, specifying the existing principal amount of the tuition guaranty bond, and a copy of the audited financial statements at the end of the first fiscal year. The one suggestion was for Carland to arrange to offer its students the option to purchase group health insurance.

Carland reviewed the team's report for accuracy and responded to the team's recommendations and suggestion. Carland sent justification for the use of the name Carland University. The team reviewed Carland's response, and issued a final report with the recommendation that the institution uses the name Carland College rather than the name Carland University. The team indicated the institution responded satisfactorily to remaining recommendations.

The team of examiners recommends that Carland College be granted an interim permit to offer the following two degree programs exclusively electronically: Bachelor of Science in Entrepreneurship, and Master of Entrepreneurship. If an interim permit is granted, a further recommendation is that, before the end of the period of the interim permit, a team of examiners re-evaluate Carland to determine if it qualifies for a regular license.

Dr. Harry Williams agrees with the team's review and recommendations. Thus, General Administration recommends an interim permit for licensure of the following programs offered by Carland College exclusively electronically with educational instruction originating in Asheville, NC: Bachelor of Science in Entrepreneurship, and Master of Entrepreneurship.