



The University of North Carolina

GENERAL ADMINISTRATION

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MEMORANDUM

TO: Members, Committee on Educational Planning, Policies, and Programs

FROM: Alan Mabe

DATE: February 2, 2010

SUBJECT: Recommended Approval of Programs for Licensure

Background: From 1923 to 1963, the State Board of Education licensed nonpublic institutions to confer degrees in North Carolina. In 1963, the General Assembly transferred this responsibility to the State Board of Higher Education. In 1972, the General Assembly dissolved the State Board of Higher Education and assigned the responsibility for licensure to the Board of Governors of The University of North Carolina.

Thus, the Board of Governors 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 accord with rules, regulations and procedures it establishes. This includes all institutions that were not grandfathered in at the time of the 1972 statute and any out-of-state institution (public or private) seeking to offer postsecondary degree activity in North Carolina. The General Assembly clearly intended that post-secondary degree activity be carefully overseen in the State to protect the citizens of North Carolina from consumer fraud or deceptive acts or practices. *(Additional information about licensure is included at the end of this section.)*

Jurisdictional Authority: The General Statutes of the State of North Carolina specify that the powers and duties of the Board of Governors of the University of North Carolina, in addition to those related to governance of the constituent institutions of the University, include regulatory authority to issue to certain nonpublic post-secondary educational institutions licensure to conduct post-secondary degree activity in North Carolina. The statute pertaining to such licensing, North Carolina General Statutes Section 116-15, is reproduced in the Appendix to the Rules and Standards to be found at the UNC Website at http://www.northcarolina.edu/aa_planning/licensure/Rules__Standards__Master_Updated_1-081.pdf.

Issues Involved: We have requests for approval for programs at two schools, Carland College and the Art-Institute of Raleigh-Durham.

Proposals from both schools have been reviewed in terms of the Rules and Standards for Licensure and teams have visited both schools.

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When an institution has not previously offered a post-secondary educational program, there is a provision for an interim permit. The Board previously approved an interim permit for Carland College but they did not start up in the period of the permit. They have requested a regular permit for their undergraduate program, but we believe it more appropriate to continue the interim permit for two year.

Recommended Action: Based on the proposed programs meeting the Board's requirements for licensure, the President recommends the awarding licensure to these five programs and that an interim permit be approved for the baccalaureate level for Carland College.



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MEMORANDUM

TO: Committee on Educational Planning, Policies, and Programs

FROM: President Erskine Bowles 

DATE: January 28, 2010

SUBJECT: Licensure of Carland College

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 submitted an application and supporting documentation for a regular license (they currently hold an interim permit) to offer the following two degree programs electronically: Bachelor of Science in Entrepreneurship (B.S.E.), and Master of Entrepreneurship (M.E.).

Dr. Prochaska 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 August 17, 2009, the team of examiners visited with Carland College representatives in Asheville, NC. Following the site visit, the team of examiners issued its report and recommendation. Dr. Prochaska agrees with the team's review. As the Bachelor of Science in Entrepreneurship program has not been offered yet, General Administration recommends that Carland College be regularly licensed to offer electronically the Master of Entrepreneurship degree program, and that it continue to qualify to offer electronically the B.S. in Entrepreneurship program. For more details on the degree programs and report, please review the summary.

Thus, I recommend to the Committee on Educational Planning, Policies, and Programs of the UNC Board of Governors that a regular license be issued to Carland College to electronically offer the Master of Entrepreneurship degree

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program. The second recommendation is that Carland College be allowed to continue the interim permit for the Bachelor of Science in Entrepreneurship. Once the B.S.E. program commences, it will be reviewed for regular licensure status. Both recommendations are subject to annual reports and review at any time. Either one year or two years from the date of the August 17, 2009, site visit, a team of examiners will visit Carland College, to judge whether the institution continues to maintain standards for licensure.

Enclosure: Summary

SUMMARY OF VISIT OF TEAM OF EXAMINERS FOR CARLAND COLLEGE IN ASHEVILLE, NC

BACKGROUND INFORMATION

On January 11, 2008, Carland College, a new completely online college based in Asheville, NC, was granted an interim permit by the Board of Governors of the University of North Carolina to offer the following post-secondary degrees electronically:

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

Carland College, Inc. is a corporation chartered in, and by, the State of North Carolina. Carland College is owned by the Entrepreneurship, Innovation and Leadership Group (EIL), LLC, a North Carolina limited liability company. The majority member and manager of the EIL Group is the DreamCatchers Group, LLC, which is controlled by Dr. James W. Carland, Jr., and Dr. JoAnn C. Carland. Both Drs. Carland are retired faculty members from Western Carolina University.

Carland College states that it will apply for accreditation by the Distance Education Technical Council (DETC) on March 3, 2010, which will mark the completion of two years of operation, and which is the minimum time period required for DETC accreditation consideration. The College expects to receive DETC accreditation in June, 2010, at which time its students will qualify for federal student financial aid. Carland College plans to apply for accreditation by the Commission on Colleges (COC) of the Southern Association of College and Schools (SACS) as soon as it has met the minimum requirement of four years as a member.

The interim permit required Carland College to apply for regular licensure within eighteen months of the start of operations. The College began operations on March 3, 2008, and Carland College filed its application for a regular license within the required period of eighteen months.

THE APPLICATION AND SITE VISIT

On May 28, 2009, Carland College submitted an application and supporting documentation for regular licensure to offer the following two degree programs electronically:

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

Pursuant to the Rules and Standards: Licensing Nonpublic Institutions to Conduct Post-Secondary Degree Activity in North Carolina, Dr. Frank Prochaska, Associate Vice President for Academic Affairs at UNC General Administration, appointed a team of examiners to visit the institution and evaluate its compliance with the licensure standards. The visit to the Asheville office of Carland College took place on August 17, 2009. At the time of the visit, there were twenty active students in the online Master of Entrepreneurship degree program. The College plans to start the online Bachelor of Science in Entrepreneurship degree program in June, 2010.

The team of examiners was comprised of:

- 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
- Dr. Frank Prochaska, 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 accompanying seven appendices and to participate in a site visit to determine if the institution demonstrated compliance with licensure standards. Either prior to the visit or during the visit, many additional items of documentation were reviewed by the team including curricula for the degree programs; Carland College Catalog, Volume 2, 2009; library resources; projected budget data; faculty resumes; course syllabi; projected enrollment data; audited financial statements; Carland College *Policy Manual*; and the Carland College *Faculty Senate Policy Manual*.

During the visit, the team of examiners met with the following representatives of Carland College:

- Dr. James W. Carland, Jr., Co-President, Chief Executive Officer, Vice President and Chief Operations Officer, and faculty member
- Dr. JoAnn C. Carland, Co-President, Chief Academic Officer, Vice President of Academic Affairs, and faculty member
- Dr. Janet L. Dye, Comptroller and faculty member
- Ranjeev Cardoza, Director of Technology, faculty member, and student in the Master of Entrepreneurship degree program
- Nancy Kolenbrander, Librarian
- Three current Master of Entrepreneurship students (by teleconference)

DEGREE PROGRAMS

Bachelor of Science in Entrepreneurship

The 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 Catalog. Carland College will require the satisfactory completion of a minimum of 44 semester hours (or the equivalent in quarter hours) in general education coursework 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 Catalog. Carland will not offer any general education courses.

Master of Entrepreneurship

The Master of Entrepreneurship degree program (M.E.) requires 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 Catalog.

RECOMMENDATIONS

Carland College has complied with all of the Recommendations contained in the report of the first team of examiners which visited the institution on October 29, 2007.

After the August 17, 2009, site visit, the *Preliminary Report to the President of The University of North Carolina from the Team of Examiners for the Licensure Visit To Review the Bachelor's and Master's Degree Programs in Entrepreneurship at Carland College in Asheville, North Carolina* was submitted. The team of examiners found Carland College to be in compliance with all 15 licensure Standards, and included no suggestions and no recommendations in the report.

The team concludes its report by stating that it recommends Carland College be granted a regular license to offer the following two degree programs exclusively electronically:

- Bachelor of Science in Entrepreneurship
- Master of Entrepreneurship

If regular licensure is granted, a further recommendation is that a team of examiners visit Carland College either one year or two years from the date of the August 17, 2009 visit, with the exact date of that future visit to be determined by the General Administration of The University of North Carolina. The purpose of that visit will be to review Carland College's compliance with the fifteen licensure Standards.

After receiving the team of examiners' final report, Carland College responded that there were no errors of fact, and that it agreed with the report.

Dr. Frank Prochaska agrees with the team's review. As the Bachelor of Science in Entrepreneurship program has not been offered yet, General Administration recommends that Carland College be regularly licensed to offer electronically the Master of Entrepreneurship degree program and that it continue to qualify to offer electronically the B.S. in Entrepreneurship program. Once the B.S.E. program commences, it will be reviewed for regular licensure status. Either one year or two years from the date of the August 17, 2009 site visit, a team of examiners will visit Carland College to review overall compliance with the fifteen licensure Standards for the programs that are active at that time.