



The University of North Carolina

GENERAL ADMINISTRATION

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March 29, 2010

TO: Members, Committee on Educational Planning, Policies, and Programs
FROM: Alan Mabe
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 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: Four degree proposals are from Capella University, two are from John Wesley College, and one is from Miller-Motte College. Proposals from all three schools have been reviewed in terms of the Rules and Standards for Licensure and teams have visited both schools.

Recommended Action: Based on the proposed programs meeting the Board's requirements for licensure, the President recommends the awarding licensure to these six programs.



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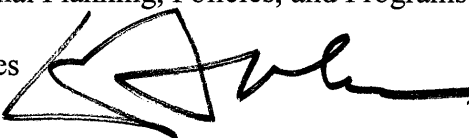
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MEMORANDUM

TO: Committee on Educational Planning, Policies, and Programs

FROM: President Erskine Bowles 

DATE: March 25, 2010

SUBJECT: Licensure of John Wesley College in High Point, 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.

John Wesley College applied for licensure to offer the Bachelor of Arts in Management and Business Ethics and the Master of Business Administration degree programs. The B.A. degree program will be offered on-site and will be complemented by online forums and chat rooms; thus, it will have a 'hybrid' delivery system. The M.B.A. will be delivered entirely online.

Dr. Prochaska reviewed the application and appointed a team of examiners to determine if John Wesley College complied with the licensure standards outlined in *Rules and Standards*. On December 17, 2009, the team of examiners visited the High Point campus of John Wesley College. Following the site visit, the team of examiners issued its report with suggestions and recommendations, and a final recommendation to grant licensure to the two proposed degree programs subject to compliance with the recommendations contained in the report. Dr. Prochaska agrees with the team's review and recommendations. For more details on the degree programs, report and recommendations, 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 John Wesley College to offer the Bachelor of Arts in Management and Business

APPENDIX H

Ethics and the Master of Business Administration degree programs, subject to annual reports and review at any time. After one year from the initiation of these new degree programs, John Wesley 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 TWO NEW DEGREE PROGRAMS AT JOHN WESLEY COLLEGE

(NOTE: JOHN WESLEY COLLEGE IS CURRENTLY EXEMPT FROM LICENSURE, AS IT OFFERS DEGREE PROGRAMS IN THEOLOGY, DIVINITY, RELIGIOUS EDUCATION, OR FOR CAREER PREPARATION IN A RELIGIOUS VOCATION. AS DESCRIBED BELOW, JOHN WESLEY COLLEGE IS APPLYING FOR LICENSURE TO OFFER TWO SECULAR DEGREE PROGRAMS THAT WILL REQUIRE REGULAR LICENSURE UNDER THE *RULES AND STANDARDS*.)

BACKGROUND INFORMATION

While the history of the institution dates back to 1903, John Wesley College in Greensboro reopened as People's Bible School on January 25, 1932, and was incorporated in the State of North Carolina on August 2, 1948. The name changed to People's Bible College in 1949 and then to John Wesley College in 1956. The campus moved to its present site in High Point in 1980. It is an independent, interdenominational, co-educational institution that is exempt from licensure due to the religious nature of the College's programs.

John Wesley College is accredited with the Commission on Accreditation of the Association for Biblical Higher Education (ABHE, formerly the Accrediting Association of Bible Colleges), an institutional accrediting body recognized by the Council for Higher Education Accreditation (CHEA) and the U.S. Department of Education.

On July 16, 2009, the Board of Trustees of John Wesley College approved the following institutional Mission Statement:

John Wesley College is a comprehensive Bible College rooted in traditional Christian values and committed to educate lifelong learners for ministry in the marketplace, society and world. We seek to provide an atmosphere that encourages intellectual development, spiritual maturation and professional competency.

THE APPLICATION AND SITE VISIT

John Wesley College has applied for licensure to offer the following two new degree programs:

- Bachelor of Arts (B.A.) in Management and Business Ethics
- Master of Business Administration (M.B.A.)

The B.A. degree program (a degree completion program) will be offered on-site and will be complemented by online forums and chat rooms; thus, it will have a 'hybrid' delivery system. The M.B.A. will be delivered entirely online.

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 John Wesley College took place on December 17, 2009.

The team of examiners with expertise in the specific disciplines relating to the application 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. Stella Anderson, Professor of Management, Walker College of Business Administration, Appalachian State University, Boone, North Carolina
- Wilson Stahl, Professor Emeritus and former University Librarian and Chief Information Officer, Western Carolina University, Cullowhee, 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 attachments 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 proposed degree programs, faculty curriculum vitae (for both on-site and online faculty), course syllabi, library resources, computer resources, educational facilities, enrollment data, budget data, audited financial statements, the 2008-2010 John Wesley College *Catalog*, 2009-2010 John Wesley College *Student Handbook*, John Wesley College *Administrators and Faculty Handbook*, and the John Wesley College *Library Information and Resource Manual*.

During the visit, the team of examiners met with numerous administrators, faculty, staff, and students of John Wesley College.

PROPOSED DEGREE PROGRAMS

Bachelor of Arts (B.A.) in Management and Business Ethics

The program offers a combination of education in business management plus a biblical ethics component closely tied to business settings. In addition to traditional business coursework in marketing, sales, entrepreneurship, management, economics, accounting, and business law, the curriculum includes several ethics courses. The proposed B.A. program will require 120 semester credit hours to complete, including 37 semester credit hours of general education and 53 semester credit hours in the major.

Master of Business Administration (M.B.A.)

The proposed fully-online M.B.A. degree program requires a total of 12 courses (32 semester credit hours) to complete, including nine required core courses (24 credit hours) in traditional M.B.A. subject areas (such as management, economics, accounting, marketing, business law, and others), and three courses (8 credit hours) from one of a choice of three concentrations: Management, Human Resource, and Non-profit Leadership.

RECOMMENDATIONS

After the site visit, the *Preliminary Report to the President of The University of North Carolina from the Team of Examiners for the Licensure Visit to John Wesley College's Proposed*

Bachelor's and Master's Degree Programs in High Point, North Carolina was submitted. In the report, the team of examiners included three suggestions and seven recommendations. The suggestions reflect the professional judgment of team members, and do not signify that the institution is not in compliance with the *Rules and Standards*. A suggestion is written for the institution's benefit, and it does not need to be implemented; the recommendations, however, must be implemented by the institution. The recommendations addressed issues of transfer credit accepted by John Wesley College, library resources, faculty credentials, and information to be included in the Catalog.

The team of examiners concludes its report by stating it would make its recommendations to the General Administration of The University of North Carolina regarding the licensure of the two proposed degree programs after it receives the response from John Wesley College to the recommendations and suggestions contained in the report. The team states that it would make a separate recommendation on licensure for each of the two proposed degree programs.

After receiving the team of examiners' report, John Wesley College responded to the recommendations and suggestions. All of the recommendations have been implemented to the satisfaction of the team of examiners.

After reviewing the College's response, the team of examiners recommends that John Wesley College be licensed to offer the Bachelor of Arts in Management and Business Ethics and the Master of Business Administration degree programs.

Dr. Frank Prochaska agrees with the team's review and recommendations. Thus, General Administration recommends licensure of the following two new degree programs, to be offered by John Wesley College: Bachelor of Arts in Management and Business Ethics, and Master of Business Administration.

A site visit to John Wesley College will be performed within one calendar year of the initiation of these new degree programs, by a team of examiners with expertise in the field, to ascertain the College's compliance with the *Rules and Standards*, including the recommendations contained in the report.

Description of the Board of Governors Licensure Function

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.

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Jurisdictional Authority

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In carrying out its licensing and exemption from licensure responsibilities, the Board has clear statutory directions. With regard to licensing, the statutes specify that 15 standards must be met by nonpublic institutions in such critical areas as curricula, faculty, library, and financial stability. Since licensure is a mandatory state process it is very different from accreditation through voluntary accrediting agencies such as the Southern Association of Colleges and Schools. If an institution meets the requirements for licensure it expects to receive that licensure.

Enforcement

If the President determines that an institution has failed to seek licensure or exemption from licensure as statutorily required or failed to fulfill any obligation attendant to licensure or exemption, the President may request that the State Attorney General take appropriate action.

Licensing Process

The process for licensing is an extensive one as delineated in *Rules And Standards – Licensing Nonpublic Institutions to Conduct Post-Secondary Degree Activity in North Carolina* (see URL above). It begins with the chief executive officer or designee of a prospective applicant institution requesting a preliminary conference with UNC General Administration staff to review the standards and procedures for applying for licensure.

If a potential applicant institution concludes that it meets the standards, the chief executive officer submits to UNC General Administration a letter of formal application accompanied by extensive documentation that the institution complies with and is capable of maintaining the standards for an extended period sufficient for a student to complete his/her program of study.

UNC-GA staff reviews the application and documentation, and once they are judged to be in order for a team of examiners' visit, the staff arranges for a team visit to the main campus of the applicant institution and perhaps to proposed degree activity sites in North Carolina. Each individual degree activity site in North Carolina must meet licensure requirements.

The purpose of the team visit is to confirm that documentation submitted by the institution is correct and appropriately demonstrates compliance with the 15 standards. The standards devote considerable attention to adequacy of the proposed programs of study, methods of instructional delivery, faculty, library, facilities, and overall financial condition of the applicant institution.

The team of examiners is composed of staff (ex-officio), faculty members in appropriate disciplines representative of public and private institutions, administrators, librarians, and other specialty persons necessary for a sound and thorough examination. One member is appointed chairperson with responsibility for leading the examination and preparing the team's written report of its findings and recommendations.

Costs connected with the examination and subsequent visits are paid by the institution. Visits usually are one or two days in duration, depending on the sites visited. On completion of a visit the team submits its report and recommendations. A final concluding recommendation to recommend or deny licensure is included. All recommendations are advisory to the UNC President who recommends final action to the Board of Governors. (Applicant institutions usually withdraw their application for licensure if denial is anticipated, which accounts for few denials going before the Board.)

Once licensed, an institution is subject to review visits at any time to determine whether the institution continues to meet the licensure standards. Review shall always occur 1) either one or two years after initial licensure, 2) if the institution is legally reconstituted, or 3) if ownership changes. A new application and site visit are also required each time a licensed institution wishes to offer a new degree program.

Each licensed institution submits an annual report to UNC-GA staff concerning matters such as enrollment, faculty employed, financial stability, prepaid tuition bond updating, and maintenance of compliance with all licensure standards.

Exemptions from Licensure

The statute states that institutions offering degrees in theology, divinity, religious education, or for career preparation in a religious vocation, shall be exempt from licensure requirements and that institutions that undertake post-secondary degree activity on the premises of military bases for military personnel stationed on active duty there (or their dependents or employees of the military) are exempt from licensure requirements.