



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: October 26, 2010

SUBJECT: Recommended Approval of Programs for Licensure or Initial 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.

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: Two degree programs are proposed, a Bachelor of Arts in Interior Design at the Living Arts College in Raleigh and a Master of Education in Mathematics Education from Lesley University.

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Four degree programs are proposed by the French Business School, the School of Knowledge Economy and Management (SKEMA), for partial delivery in Raleigh. SKEMA has leased space on the Centennial Campus and has entered into a Memorandum of Understanding (MOU) with North Carolina State University. SKEMA initially will not be offering a degree in North Carolina but rather will bring students enrolled in its programs elsewhere to Raleigh to have an opportunity to interact with the businesses and institutions in the Research Triangle. Their desire is to bring students to the Research Triangle in January 2011. The recommendation is to provide initial licensure which would be time limited. SKEMA would be required to make another application within 18 months for regular licensure. An initial licensure is a defined option in our Rules and Regulations. This would allow for a clearer development of degrees SKEMA would want to offer in North Carolina and what cooperative arrangements SKEMA and NCSU might want to consider.

All the proposed programs have been reviewed in terms of the Rules and Standards for Licensure and a team has visited the school or site.

Recommended Action: Based on the proposed programs meeting the Board's requirements for licensure, the President recommends the awarding of licensure to the programs proposed by Living Arts College and Lesley University. The President also recommends an initial licensure for SKEMA to offer a portion of the course work for four programs at the Raleigh campus.



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MEMORANDUM

TO: Committee on Educational Planning, Policies, and Programs

FROM: President Erskine Bowles

DATE: October 20, 2010

SUBJECT: Licensure of SKEMA School of Business

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.

The School of Knowledge Economy and Management (SKEMA School of Business) applied for an initial license to offer the following degree programs on the Centennial Campus of North Carolina State University in Raleigh:

- Master of Science in General Management
- Master of Science in International Business
- Specialized Master's in Financial Markets, Innovation, and Technology
- Bachelor in International Management

Dr. Frank Prochaska reviewed the application and appointed a team of examiners to determine if SKEMA School of Business complied with the licensure standards outlined in *Rules and Standards*. On September 15, 2010, the team of examiners visited the Centennial Campus. Following the site visit, the team of examiners issued its report which contained no suggestions or recommendations, and a final recommendation to grant an initial license to the four proposed degree programs. Dr. Prochaska agrees with the team's review. 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 an initial license be issued to SKEMA School of Business to offer the above-mentioned four degree programs,

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subject to annual reports and review at any time. Within eighteen months of the initiation of these new degree programs, SKEMA School of Business will be reviewed, to judge whether the institution continues to maintain standards for licensure.

Enclosure: Summary

SUMMARY OF VISIT OF TEAM OF EXAMINERS FOR THE FRENCH SCHOOL OF BUSINESS SKEMA

BACKGROUND INFORMATION

The School of Knowledge Economy and Management (SKEMA School of Business), which is located in France, has applied for an Initial License to begin four degree programs at its Raleigh Campus on the Centennial Campus of North Carolina State University (NCSU) during the eighteen-month period between January 1, 2011 and June 30, 2012.

The Rules and Standards (page 25) describe the Initial License as follows:

“For a new degree program proposed for licensure, the Board of Governors may in some circumstances approve an initial license that will allow institutions to offer the degree program in North Carolina but whose continuing validity must be reaffirmed based on a visit by a team of examiners and action by the Board of Governors.

Normally this visit will take place within a year of the program’s starting, but no later than eighteen months from the date of initiation. An initial license is normally valid for one year but in no case can it be valid for more than eighteen months.”

If an Initial License is granted, the SKEMA Business School (hereafter SKEMA), as required by the Rules and Standards, will submit a regular licensure application in Fall 2011 that will provide the following:

- Documentation on how these initial four degree programs are in compliance with the Rules and Standards
- Plans for the additional degree programs SKEMA intends to initiate (some in conjunction with North Carolina State University) during the three-year period July 1, 2012 to June 30, 2015, including documentation on how these proposed degree programs will be in compliance with the Rules and Standards

The SKEMA Business School has campuses in France at Lille, Sophia Antipolis (Nice), Paris LaVillette and Paris LaDefense, as well as in Casablanca, Morocco and Suzhou, China. SKEMA has approximately 6,200 students on all of its campuses, including exchange students. It has over one-hundred partnerships with foreign universities.

The SKEMA Business School is accredited by the European Quality Improvement System (EQUIS), which was created in 1998. EQUIS specializes in higher education institutions of management and business administration and is run by the European Foundation for Management Development (EFMD). As of August 2010, EQUIS had accredited 127 business schools in 35 countries around the world. The accreditation is awarded to business schools based on general quality and also takes into account the business school’s level of internationalization.

The SKEMA Business School is in the process of seeking accreditation by AACSB International – The Association to Advance Collegiate Schools of Business, which is located in Tampa, Florida. This Association is recognized by the Council for Higher Education Accreditation (CHEA).

THE APPLICATION AND SITE VISIT

The SKEMA School of Business has applied for an initial license to offer the following four degree programs at the Centennial Campus of North Carolina State University between January 1, 2011 and June 30, 2012:

- “Grande Ecole” program (Master of Science in General Management)
 (“Grande Ecole” is a prestigious distinction awarded by the French government to a small number of French business schools.)
- Master of Science (M Sc) in International Business
- Specialized Master’s program [Masters Specialises (MS)] in Financial Markets, Innovation and Technology
- Bachelor’s degree program in International Management

The proposed degree programs were evaluated for compliance with the fifteen Standards contained in The University of North Carolina Board of Governors’ *Rules and Standards: Licensing Nonpublic Institutions to Conduct Post-Secondary Degree Activity in North Carolina*. Dr. Frank T. Prochaska, Associate Vice President for Academic Affairs of The University of North Carolina General Administration, appointed the team of examiners:

- 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 T. Prochaska, Associate Vice President for Academic Affairs, The University of North Carolina General Administration, Chapel Hill, North Carolina, *Ex Officio*

The team of examiners met with four representatives of the SKEMA Business School in Raleigh on September 15, 2010, including Dr. Alice Guilhon, Dean and Managing Director, SKEMA Business School, and President of SKEMA U.S., Inc. In addition, the team of examiners reviewed SKEMA’s facilities for its North Carolina Campus. The two buildings are now being upfitted to meet SKEMA’s space requirements. Further, the team of examiners had a conference call on October 5, 2010 with the Campus Director of the North Carolina Campus of the SKEMA Business School and five SKEMA faculty members in France who will teach at the North Carolina Campus.

As a part of the review process, the team of examiners reviewed many items, including the following: the licensure application, course syllabi, faculty educational credentials, library and electronic resources, financial information (income and expenses) for the SKEMA Business School for 2005 through 2009/2010, faculty turnover projections for the SKEMA Business School for 2009-2010 through 2014-2015, enrollment data, planned computer resources for the North Carolina Campus, Faculty Handbook, and selected brochures.

The team of examiners also received a copy of the Memorandum of Agreement between North Carolina State University and the SKEMA Business School. This Memorandum of Agreement was signed in Raleigh on September 14, 2010.

SKEMA does not plan to enroll any American students during this initial eighteen month period. SKEMA intends to bring French students enrolled in the “Grande Ecole” program to the Raleigh campus during this time, and to recruit international students directly for their programs in North

Carolina. In the subsequent three-year period 2012 – 2015, SKEMA and NCSU plan to initiate some joint programs in which students of each institution would enroll in courses taught by the other.

PROPOSED DEGREE PROGRAMS

The SKEMA School of Business has applied for an initial license to offer the following four degree programs at the Centennial Campus of NCSU between January 1, 2011 and June 30, 2012:

“Grande Ecole” Program (Master of Science in General Management)

The three-year “Grand Ecole” program is in two parts: undergraduate (senior year, one academic year) and graduate (two academic years). The undergraduate year covers the basics of management, entrepreneurship, and innovation. The second year focuses on the international dimension of management and the integration of management disciplines to give a global vision of the management of a company. The third year provides the student with a specialization and a transition to the professional world: students are enrolled in a Specialized Master’s program (see below). The three years of study provide a certain amount of choice to students who may complete a combination of internships (minimum 15 months), academic exchanges, and a selection of electives from the first year on. This variety and choice enables students to orient their studies towards their desired career path.

Master of Science (M Sc) in International Business

Masters of Science programs, intended for students holding a four-year Bachelor’s degree, have a strong international orientation. The program, designed to be completed in one year, is comprised of two semesters of coursework, an internship (4 to 6 months) and a dissertation.

Specialized Master [Mastères Spécialisés (MS)] in Financial Markets, Innovation and Technology

The Specialized Master’s programs, intended for students holding a Master’s degree and/or company managers, have a strong professional orientation. These specialized Master’s programs are designed to have close ties with business and research laboratories. The program lasts twelve months. The first six months are coursework with theory and practical examples, seminars, research projects, and a project in a company. In the final six months, students undertake a four-to six-month in-company project culminating in a dissertation based on an issue relevant to the company. This thesis is presented to an evaluation committee.

Bachelor’s Program in International Management

Two options of study are available for students: the Mobility option and the Exchange option. Students enrolled in the International Mobility Option study for two years at SKEMA where they can choose among several business majors. They then apply as regular students to an international partner university located in the US, Canada, Australia or England. The students study for two years at the partner institution from which they receive a Bachelor’s degree and, on completion of a four-month internship and after approval from SKEMA, students are also awarded a SKEMA Bachelor’s degree. In the Exchange Option, students study for seven semesters at SKEMA, and then complete one semester abroad at a partner university as exchange students. A four-month internship is also required to complete the curriculum.

RECOMMENDATIONS

After the application review processes and site visit to the Centennial Campus location discussed above, the *Preliminary Report to the President of The University of North Carolina from the Team of Examiners for the Initial License Review of the Proposed Bachelor's and Master's Degree Programs at the Raleigh, North Carolina Campus of the SKEMA Business School* was submitted. There are no suggestions and no recommendations in the report.

The team of examiners concludes its report by recommending that the SKEMA Business School be granted an initial license to offer the requested four degree programs at its North Carolina Campus on the Centennial Campus of North Carolina State University during the eighteen-month period between January 1, 2011 and June 30, 2012.

The team also recommends that if initial licensure is granted by the Board of Governors, that a team of examiners visit the North Carolina Campus of the SKEMA Business School within eighteen months of the start of these four degree programs to review the compliance of the North Carolina Campus with the fifteen licensure standards.

Dr. Frank Prochaska agrees with the team's review and recommendations. Thus, General Administration recommends that the SKEMA Business School be granted an initial license to offer the requested four degree programs at its North Carolina Campus on the Centennial Campus of North Carolina State University during the eighteen-month period between January 1, 2011 and June 30, 2012.

A site visit to the North Carolina Campus of the SKEMA Business School on the Centennial Campus of North Carolina State University will be performed within eighteen months of the initiation of these new degree programs, by a team of examiners with expertise in the field, to ascertain SKEMA's compliance with the fifteen licensure standards.

Further, if SKEMA desires regular licensure of these degree programs, SKEMA must submit a full regular licensure application within one year of the start of the programs.