Update on Consolidation
The Proposed Consolidation of Three Institutions in South Alabama:
Will Result in the Creation of a New Regional Community College:
What is Required and Who Participates in the Process?
Who Is Involved in a Consolidation?

• Consolidation/Merger is a complex, multi-layered and multi-phase process requiring the approval of several entities:
  
  ─ Alabama Commission on Higher Education (ACHE)
  
  ─ Southern Association of Colleges and Schools Commission on Colleges (SACSCOC)
  
  ─ U.S. Department of Education (US DOE)
  
  ─ Alabama Community College System Board of Trustees (ACCS BOT)
Who Is Involved in a Consolidation?

• Consolidation also requires involvement and participation of stakeholders:
  — Students
  — College Employees
  — Community
  — Business and Industry/Employers
  — Other Entities/Agencies
Alabama Commission on Higher Education

- ACHE is the coordinating board for higher education in the State of Alabama.
- ACHE approves new units of instruction, including new institutions, mergers/consolidations, branch campuses, colleges, schools, divisions and departments.
- The process for merger/consolidation of public two-year colleges is published in *Ala Admin Code* Section 300-2-1-.09.
The process was developed in agreement with the Alabama State Board of Education.

ACHE meets four times a year; submissions must be filed in accordance with published deadlines.
Alabama Commission on Higher Education

Required Submissions (in sequential order)

• Statement of Intent to Consolidate

• Administrative Consolidation
  — Jointly prepared by the colleges
  — Submitted to ACHE for approval by the Chancellor’s Office on behalf of the colleges
Alabama Commission on Higher Education

Required Submissions (in sequential order)

• Institutional/Programmatic Consolidation
  — Jointly prepared by the colleges
  — Submitted to ACHE for approval by the Chancellor’s Office on behalf of the colleges

• At ACHE’s discretion, the Requests for Administrative and Programmatic Consolidation can be combined into a single request
• “The Southern Association of Colleges and Schools Commission on Colleges is the recognized regional accrediting body in the eleven U.S. Southern states ... for those institutions of higher education that award associate, baccalaureate, master's or doctoral degrees.”

• “The mission of the Southern Association of Colleges and Schools Commission on Colleges is to assure the educational quality and improve the effectiveness of its member institutions.”

-SACSCOC
• Alabama Southern, Faulkner State and Jefferson Davis Community Colleges are accredited by SACSCOC
• A significant modification or expansion in the nature and scope of an SACSCOC accredited institution is called a **substantive change**
• The initiation of a merger or consolidation with another institution is a type of substantive change
• We are following SACSCOC policy and procedures related to the merger/consolidation of SACSCOC accredited institutions
What About Reid State Technical College?

- In December 2015, the ACCS Board of Trustees authorized the Chancellor to examine the feasibility of merging or consolidating Alabama Southern, Faulkner State and Jefferson Davis Community Colleges and Reid State Technical College.

- Reid is accredited by the Council on Occupational Education, not SACSCOC.

- Consolidation of a non-SACSCOC accredited institution with SACSCOC accredited institutions is a more complex and longer process.

- Following the recommendation of SACSCOC personnel, we will first combine the three SACSCOC accredited institutions; at the appropriate time, we will examine the feasibility of merging Reid into the new regional institution.
The Presidents of each institution must provide written notice of the substantive change to SACSCOC six months in advance of the intended date of review by the SACSCOC Board of Trustees.

The SACSCOC Board of Trustees reviews submissions in June and December. The Prospectus for substantive change must be submitted either by March 15 (reviewed at the June meeting) or by September 1 (reviewed at the December meeting).

The prospectus is a written document that describes in great detail the nature and scope of the proposed substantive change.

In the proposed consolidation, the colleges submitted the prospectus on September 1.
• Failure to comply with the SACSCOC *Principles of Accreditation* could result in an institution being placed on sanction or being removed from membership

• A SACSCOC accredited institution whose proposal for substantive change is not approved by the SACSCOC Board of Trustees will maintain its separately accredited status with the Commission. However, if the institution continues with the change after denial of approval, it may be placed on sanction or removed from membership
Throughout this process, the individual colleges must take all actions necessary to maintain their separate accreditation in the event the SACSCOC Board of Trustees does not approve the substantive change.
If an institution fails to follow the SACSCOC substantive change policy and procedures, it may lose Title IV funding or be required by the U.S. Department of Education to reimburse money received by the institution related to the substantive change
Upon acceptance of the prospectus, the SACSCOC Board of Trustees will approve the effective date of the consolidation that is specified in the document – the effective date cannot exceed 30 days after approval by the SACSCOC Board of Trustees.
• After approval of the prospectus by the SACSCOC Board of Trustees, the SACSCOC Substantive Change Committee will conduct an on-site peer review visit at the new accredited consolidated institution

  — Visit expected Spring 2017
  — The Substantive Change Committee may make recommendations; if so, the institution will submit a written response
  — The recommendations and response will be reviewed by the SACSCOC Board of Trustees (expected date: December 2017)
  — At the December 2017 meeting, if the recommendations have been satisfactorily addressed, the SACSCOC Board of Trustees will continue the new institution in accreditation
U.S. Department of Education

• Created in 1980 through the consolidation of several federal agencies

• Primary Goals:
  – Establishing policies on federal financial aid for education, distributing and monitoring those funds
  – Collecting data on America’s schools and disseminating research
  – Focusing national attention on key educational issues
  – Prohibiting discrimination and ensuring equal access to education
U.S. Department of Education

- An eligible institution may participate in any Title IV, Higher Education Act (HEA) program only if the institution enters into a written program participation agreement (PPA) with the US DOE.

- A PPA conditions the initial and continued participation of an eligible institution in any Title IV, HEA program and any additional conditions specified in the PPA that the Secretary of Education requires the institution to meet.

- Title IV, HEA programs include Federal Pell Grants and Federal Direct Loans.

- Each college involved in this effort has PPAs with the US DOE.
A merger/consolidation is a type of substantive change that requires written approval from the US DOE.

The US DOE must first receive official notice of the accrediting entity’s approval of the substantive change before it will formally act upon a substantive change request.

If a college loses its primary accreditation:

- it is ineligible to participate in the federal student aid (FSA) programs;
- the PPA is no longer in effect; and,
- notice of the loss of accreditation must be given to the U.S. Department of Education within 10 days of that change in status.
There is a significant amount of paperwork involved securing US DOE approval; the review and approval process usually takes a couple of months to complete after the US DOE has received notification of the accrediting entity’s approval of the substantive change.

The ACCS Office and the colleges will work closely with the US DOE to ensure colleges comply with US DOE rules and timelines to ensure there is no interruption in access to FSA programs and final approval is given as expeditiously as possible.
ACCS Board of Trustees

• The Board of Trustees is the governing board of the Alabama Community College System

• The Board of Trustees must give final approval of a merger/consolidation and most of the major steps in the merger/consolidation process

• The Board of Trustees must approve the consolidation within 30 days of SACSCOC’s acceptance of the prospectus

• The decision by SACSCOC on the prospectus is expected in early December 2016; implementation of the consolidation is expected in early January 2017
Stakeholders

• Students
  – Must be informed of upcoming changes and given an opportunity to provide input throughout the process
  – Must be provided a seamless transition to the new regional institution
  – Must be ensured of uninterrupted access to FSA programs

• Employees
  – Must be allowed an opportunity to participate in the consolidation process, through appointment to appropriate consolidation committees, as required in the Statement of Intent and Prospectus
  – Can offer input at employee meetings and through appropriate modes of communication established by the college president
Stakeholders

• Members of the Community
  — Must be provided an opportunity to provide input through community meetings

• Business and Industry/Potential Employers
  — Should be kept apprised of the status of the consolidation

• Other Entities
  — Should be kept apprised of the status of the consolidation (e.g., Department of Veterans Affairs, Alabama Department of Rehabilitation Services, other agencies/entities that have sponsored grants and programs in which the colleges participate, programmatic accrediting agencies)
Recap

There are several steps in the consolidation process, each requiring the colleges to submit substantial detailed documentation and requiring approval from various state, regional and federal entities

• ACHE
  — The colleges must jointly submit the following documentation for approval:
  — Statement of Intent to Consolidate
  — Statement of Intent to Consolidate
  — Request for Administrative Consolidation
  — Request for Institutional/Programmatic Consolidation
• ACHE meets four times a year – submissions must adhere to ACHE’s published deadlines
Recap

• SACSCOC
  – Colleges must submit a detailed prospectus describing the substantive change
  – The SACSCOC BOT meets twice a year (June, December). A prospectus must be submitted by March 15 (in advance of the June meeting), or September 1 (in advance of the December meeting)
  – There is still work for the new accredited regional institution following SACSCOC BOT’s acceptance of the prospectus, including hosting an on-site peer review visit by SACSCOC’s Substantive Change Committee
  – Failure to follow SACSCOC policy and procedures may result in sanctions, including the loss of accreditation
Recap

• US DOE
  – US DOE must be notified of the substantive change
  – Loss of accreditation renders a college ineligible for the FSA program and potentially responsible for the return of federal funds
  – Timing is critical – colleges and the ACCS Office will continue to work closely with the US DOE to ensure there is not interruption in participation in FSA programs
Recap

• ACCS Board of Trustees
  
  – The ACCS Board of Trustees must approve several major steps of the consolidation process, including:
    
    ▪ Resolution Authorizing the Initiation of a Merger/Consolidation Planning Process
    ▪ Statement of Intent
    ▪ Administrative and Programmatic Consolidation
    ▪ Implementation of the Consolidation
Recap

• Stakeholders
  – Communicating with stakeholders during the consolidation process is critical
  – Employees must be offered an opportunity to participate in the process and help shape the future of the new regional institution; this may occur through participation on consolidation committees, during college meetings and through other opportunities for input identified by the president
  – Students must be informed of the changes to the institutions and how they will be impacted
Recap

• Stakeholders (continued)
  — Other funding entities, resources and accrediting agencies must be kept apprised of the status of the consolidation
  — Community meetings should occur continuously during this process, so that community members may offer input and be apprised of the status of the consolidation
  — Business and Industry/Employers should be kept apprised of the status of the consolidation and of how the new institution may better serve their needs
Roles and Responsibilities of the Colleges and the ACCS Office
Role of the Colleges

- The colleges are accredited by and are members of SACSCOC and have a formal relationship with the US DOE
  - College personnel work directly with SACSCOC, and US DOE
- The colleges jointly prepare and submit required documentation to SACSCOC, and US DOE
- The colleges jointly prepare required documentation for submission to the ACCS Office for review and transmittal to ACHE
Role of ACCS Office

• Provide guidance and assistance to colleges during the consolidation process
• Submit documentation directly to ACHE on behalf of the colleges
• Participate in discussions with SACSCOC, and US DOE
• Designate the lead institution for the consolidation (Faulkner State)
• Designate the lead president for the consolidation (President Branch)
• Coordinate responses to inquiries from the Governor’s Office, Legislature and other entities
Where Are We Now and What Happens Next?
Where Are We Now?

Completed:

✓ ACCS Board of Trustees Policy Approved (November 2015)
✓ ACCS Board of Trustees Resolution Approved (December 2015)
✓ Notice Letters to SACSCOC, ACHE (December 2015)
✓ Meeting with SACSCOC (January 2016)
✓ Statement of Intent to Consolidate approved by ACHE (March 2016)
✓ Statement of Intent to Consolidate approved by ACCS Board of Trustees (March 2016)
Where Are We Now?

- Discussions with ACHE, SACSCOC, US DOE (Ongoing)
- College Committee Members (Ongoing)
- Community Meetings (Ongoing)
- Administrative and Programmatic Consolidation (Submitted to ACHE and ACCS BOT)
What Happens Next?  
(September)

• Decision by ACHE and ACCS BOT on the Request for Administrative and Programmatic Consolidation (Expected September 2016)
• Submission of the Prospectus to SACSCOC (September 2016)
Questions?

Contact the Division of Systems Development and Strategic Advancement:

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