

September 19, 2024

VIA ELECTRONIC MAIL

Dr. Cathie Cline  
President  
East Arkansas Community College  
1700 Newcastle Road  
Forrest City, AR 72335-2204

Dear President Cline:

Enclosed is the Change of Control Report (“the Report”) for the Change of Control, Structure or Organization review requested by East Arkansas Community College (“the Institution”). Under Higher Learning Commission (HLC or “the Commission”) policy, the Institution should review the Report and prepare a written response, which should also clearly identify any errors of fact contained in the Report. The Institution must prepare and submit its response to the Commission, as a single PDF file that does not contain links to external websites or documents, no later than **October 3, 2024**. Please submit this response electronically to: <https://spaces.hightail.com/uplink/HLC-LRA>. A lack of response shall be interpreted as the Institution concurring with the findings presented in the Report.

The Commission’s Board of Trustees (“the Board”) makes the decision whether to approve the continuation of accreditation after the proposed transaction takes place. The Institution’s application for Change of Control, Structure or Organization will be placed on the Board’s agenda for the October 31, 2024 meeting. The Board will receive the following information in preparation for its meeting: the Change of Control Report, the Institution’s response to the Report (if any), and the application for Change of Control, Structure or Organization. The Institution’s historical file with the Commission, including: any previous team reports, institutional responses, action letters, and other related documents will also be made available to the Board.

Please note that under Commission procedure, the Change of Control Report does not contain a recommendation to the Board. The Board has the following decision options available, as it does with all applications for Change of Control, Structure or Organization: to approve the continuation of accreditation following the consummation of the transaction; to approve the continuation of accreditation subject to certain conditions, as determined necessary by the Board; or to deny the continuation of accreditation following the transaction. The Institution should take the Board’s options into consideration when preparing its response.

President Cline, September 19, 2024 2

Thank you for your cooperation throughout this process. If you have additional questions, please contact your HLC Staff Liaison, Dr. John Marr.

Sincerely,



Sarah Hallett  
Manager of Legal and Regulatory Affairs

Enc: Change of Control Report

Cc: Jack Hill, Vice President for Academic Affairs, East Arkansas Community College  
John Marr, Vice President of Accreditation Relations, Higher Learning Commission  
Robert Rucker, Associate General Counsel, Higher Learning Commission  
Marla Morgen, Vice President and General Counsel, Higher Learning Commission

## Change of Control Report to the Board of Trustees For Change of Control, Structure or Organization

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Requested by: East Arkansas Community College

Date: August 19-20, 2024

### Involved Parties

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Party 1: East Arkansas Community College (EACC or “the institution”)

Party 2: University of Arkansas System (UA or “the System”)

Party 3:

### Members of the Team Conducting the Review

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Name: Dr. Donna Kempf, Research Compliance Director, University of Wisconsin-Whitewater

Name: Dr. Jared Cutler, Assistant Provost for Accreditation and Assessment, Sinclair Community College

Name: Dr. Adam Cloutier, Vice President of Academics, Glen Oaks Community College

### Proposed Transaction

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#### Overview

East Arkansas Community College submitted an application for Change of Control, Structure or Organization related to the proposal in which ownership of EACC would be transferred to the University of Arkansas System of colleges, universities, and divisions. Following this transaction, EACC would remain a separately accredited institution with its own unique federal OPEID number and would be governed by the Board of Trustees of the University of Arkansas System. As part of this, EACC’s current Board of Trustees would become an advisory Board of Visitors.

## History Leading to the Transaction

In keeping with the theme its strategic plan that has guided EACC since 2018, the institution articulated in the Change of Control application that it was looking for opportunities to improve the institution through various strategic partnerships. Ultimately, as part of this, EACC decided to join the University of Arkansas System after identifying multiple projected benefits, such as shared support of institutional resources, affiliation with the largest and most-respected higher education brand in Arkansas, and increased access to educational opportunities for EACC students.

On March 13, 2024, the EACC Board of Trustees and the System entered into an “Agreement of Merger and Plan of Transition.” Because the System and EACC are subject to the same legal and regulatory oversight as all postsecondary institutions in the State of Arkansas, the parties anticipate that the transaction will proceed smoothly and without difficulty.

## State/Federal Review of the Proposed Transaction

EACC and UA are public institutions approved by the Arkansas Division of Higher Education. The Arkansas Division of Higher Education has stated that it is not required to review and approve the transaction. The Institution also provided evidence that review by the U.S. Department of Education (“the Department”) is not required. As indicated in the materials reviewed by the team, the Department stated that: “[it] does not consider this a change in ownership or a change in control for a public university. Therefore, no merger or change of ownership action needs to be taken within the Department of Education Partner Connect system.”

## HLC Review of the Transaction

EACC provided an initial interaction submission to HLC on April 19, 2024. On May 8, 2024, HLC staff conducted an initial interaction meeting with representatives of EACC.

On May 13, 2024, HLC issued a post-initial interaction letter, which stated that HLC determined that the proposed transaction constitutes a Change of Control, Structure or Organization under HLC policy and thus that it requires prior review and approval by HLC.

Subsequently, EACC submitted an application for Change of Control, Structure or Organization on June 25, 2024. HLC staff determined that, based on the nature of the transaction, the application constituted a Standard Review. A Change of Control Visit was occurred on August 19-20, 2024 by a team of three peer reviewers.

## Analysis of the Key Factors

The following section analyzes the information presented in the application for Change of Control, Structure or Organization under the Key Factors set forth in HLC policy. Under policy, these factors are not exhaustive and the HLC Board of Trustees may consider other factors it deems relevant in review of the proposed Change of Control, Structure or Organization.

**Key Factor 1.** Whether the proposed change represents the extension of the mission, educational programs, student body and faculty that were in place when HLC last conducted an on-site evaluation of the member institution.

The peer review team determined that the proposed transaction will indeed represent an extension EACC’s mission, educational programs, student body and faculty, as described in more detail below.

#### Educational Programs:

EACC currently offers an array of Certificate and Associate’s programs. As noted in the application and related materials, the Institution’s educational programs will remain intact following the Change of Control transaction and will not be directly impacted by it.

#### Student Body:

There is no evidence that the Change of Control will affect the student body adversely. In fact, communication with students, administrators, and faculty members suggested that the Change of Control would increase EACC’s appeal to current and potential students.

#### Faculty:

The evidence provided shows that the Institution’s faculty will remain the same following the transaction. During the Change of Control Visit, faculty members expressed anticipation that EACC’s incorporation into the System will expand their support infrastructure as well as provide new and additional opportunities for improving instruction.

#### Mission:

As noted in the application, EACC’s mission statement will remain the same following the transaction. This mission is: “We provide affordable, accessible learning opportunities to promote student success and strengthen our community.” Even so, support from the System and access to its resources should serve to fortify EACC’s ability to fulfill the longstanding mission.

### Team determination on Key Factor 1: MET

**Key Factor 2.** The ongoing continuation and maintenance of the institution that has historically been a member of HLC with regard to its objectives, outreach, scope, structure and related factors.

EACC has been continuously accredited by HLC since 1979. It is currently an Open Pathway institution and has had a minimal history of monitoring, which reflects EACC’s respect for the accreditation process and an understanding of the value the process imparts on the Institution. Its next comprehensive evaluation for reaffirmation of accreditation is scheduled to occur in 2029-30.

Through its efforts to serve the needs of the region’s constituencies, EACC offers a range of programs. In addition to general education and professional and technical skills training, EACC hosts speaking events as well as robust arts and culture programming through its Fine Arts Center. By embracing its mission as a true community college, EACC is integral to an enhanced quality of life in its region.

By supporting the Institution's scope, structure, and outreach functions, the System should be able to expand EACC's constructive role in the northeast Arkansas region. The System's record of incorporating other regional colleges has strengthened institutional capacities, and that record demonstrates the System's commitment to ensuring that appropriate educational opportunities exist for communities throughout the state.

Ultimately, as noted under Key Factor 1, the Change of Control will not have a direct impact on the Institution in terms of its historical nature, though it will impact the governance structures of EACC, as described in more detail under Key Factor 3.

## Team determination on Key Factor 2: MET

**Key Factor 3.** Substantial likelihood that the institution, including the revised governance and management structure of the institution, will continue to meet HLC's Eligibility Requirements and will continue to meet, or meet with concerns, the Criteria for Accreditation.

### Assessment of Compliance With Eligibility Requirements After the Transaction

#### 1. Jurisdiction of HLC

The institution falls within HLC's jurisdiction as defined in HLC's Bylaws (Article II). HLC extends accreditation and candidacy for accreditation to higher education institutions that are 1) incorporated in, or operating under federal authority within the United States, and 2) have substantial presence, as defined in HLC policy, within the United States.

EACC is a public institution in Arkansas. Once EACC is incorporated into the System, its presence will remain predominantly within Arkansas, with the exception of online offerings. Therefore, EACC lies within HLC's jurisdiction, and the Change of Control will have no impact as it relates to this Eligibility Requirement.

#### 2. Legal Status

The institution is appropriately authorized in each of the states, sovereign nations, or jurisdictions in which it operates to award degrees, offer educational programs, or conduct activities as an institution of higher education. At least one of these must be in HLC's jurisdiction.

EACC is currently authorized to award degrees and offer educational programs by the Arkansas Department of Higher Education (ADHE), and the Institution provided evidence demonstrating that this authorization will continue following the Change of Control.

#### 3. Governing Board

The institution has an independent governing board that possesses and exercises the necessary legal power to establish and review the basic policies that govern the institution.

As noted in EACC's Change of Control application, "[t]he Board of Trustees has all powers necessary and proper for the governance and operation of East Arkansas Community College. The Board is composed of nine (9) members who are residents and qualified electors of the Community College District..." Furthermore, the application states that "[t]he main change if this transaction is approved is that EACC will fall under the governing [B]oard of the University of Arkansas. EACC's current Board of Trustees will become a Board of Visitors, which is advisory in nature. However, day-to-day operations

are not expected to change, as they will continue to be the responsibility of the current EACC administration, which is not expected to change... A focus on serving the local community will continue, and the community will continue to play a vital role in EACC's programming and services."

During the Change of Control visit, the team spoke with four members of the EACC Board of Trustees, who confirmed their enthusiastic approval of the Change of Control.

The governing Board of Trustees for the UA System is comprised of 10 Trustees appointed by the Governor of Arkansas, with representatives from each Congressional district in the state. As articulated in the Change of Control application, this geographic distribution ensures that each community college in the System has regional representation on the Board. Each Board member serves a 10-year term.

The Board of Trustees of the UA System ("the UA Board") establishes policies for all its campuses, divisions, and units of the UA System. Once incorporated into the UA System, EACC's existing board will become a Board of Visitors and the UA Board will become the institution's independent governing board. The UA Board possesses and exercises the necessary legal power to establish and review the basic policies that govern the institution. As stipulated in the UA Board of Trustees' Rules and Regulations for the Governance and Administration of the UA educational and administrative units, the UA Board also will be the governing board of control for "campuses or units later added by merger or otherwise."

#### 4. **Stability**

The institution demonstrates a history of stable operations and consistent control during the two years preceding the submission of the [application]<sup>1</sup>.

As noted previously, EACC has been continuously accredited by HLC since 1979 and operating as a public institution in Arkansas under the control of its Board of Trustees, with little interim monitoring during this period. The institution's strong track accreditation record evidences a history of stable operations for well more than the requisite two years.

#### 5. **Mission Statement**

The institution has a statement of mission approved by its governing board and appropriate for a degree-granting institution of higher education. The mission defines the nature and purpose of the higher learning provided by the institution and the students for whom it is intended.

EACC's mission statement reads, "We provide affordable, accessible learning opportunities to promote student success and strengthen our community." As evidenced by the team report from the recent Assurance Review, this mission statement meets the expectations of the Criteria for Accreditation. EACC indicated in the application for Change of Control that the mission statement will not change as a result of the transaction. Therefore, this Eligibility Requirement will continue to be Met

#### 6. **Educational Programs**

The institution has educational programs that are appropriate for an institution of higher education. HLC may decline to evaluate an institution for status with HLC if the institution's mission or educational programs fall outside areas in which HLC has demonstrated expertise or lacks appropriate standards for meaningful review.

In appropriate proportion, the institution's programs are degree-granting and involve

<sup>1</sup> Language substituted. While the original Eligibility Requirement language references an institution's Eligibility Filing, in this context HLC reviews the applicable time period preceding the submission of the relevant Change of Control application.

coursework provided by the institution, establishing the institution's commitment to degree-granting higher education.

The institution has clearly articulated learning goals for its academic programs and has strategies for assessment in place.

The institution:

a. maintains a minimum requirement for general education for all of its undergraduate programs whether through a traditional practice of distributed curricula (15 semester credits for AAS degrees, 24 for AS or AA degrees, and 30 for bachelor's degrees) or through integrated, embedded, interdisciplinary, or other accepted models that demonstrate a minimum requirement equivalent to the distributed model. Any exceptions are explained and justified.

b. has a program of general education that is grounded in a philosophy or framework developed by the institution or adopted from an established framework. It imparts common knowledge and intellectual concepts to students and develops skills and attitudes that the institution believes every college-educated person should possess. The institution clearly and publicly articulates the purposes, content and intended learning outcomes of its general education program.

c. conforms to commonly accepted minimum program length: 60 semester credits for associate's degrees, 120 semester credits for bachelor's degrees, and 30 semester credits beyond the bachelor's for master's degrees. Any exception to these minima must be explained and justified.

d. meets the federal requirements for credit ascription described in HLC's Federal Compliance Program.

EACC offers 64 credit-bearing certificate programs and 14 associate's degree programs. Discipline Level Objectives (DLOs) set learning expectations for these academic programs, which are assessed based on practices established in the East Arkansas Community College Plan for the Assessment of Student Learning and Engagement, most recently updated in May 2024.

In terms of General Education, EACC's website (<https://www.eacc.edu/academics>) indicates that "[the] Arkansas Higher Education Coordinating Board has established a minimum of 35 semester credit hours of general education courses that must be successfully completed in order to receive an Associate of Arts, Associate of Science, or Baccalaureate degree." EACC requires 6 credits of English Composition, 0-3 credits of Speech Communication, 3 credits of Math, 8 credits of Science, 6-9 credits of Fine Arts/Humanities, and 9-12 credits of Social Sciences for its General Education program.

EACC's General Education Statement of Philosophy states:

"General education courses at East Arkansas Community College enhance academic skills, reasoning capabilities, and general knowledge required for continued learning and advancement in students' professional and personal lives. Students will demonstrate increased proficiency in communication, critical thinking, personal and global awareness, academic proficiency, and professional development."

All EACC associate degree programs have a minimum of 60 semester hours. EACC conforms to requirements for credit ascription that are mandated by Federal Compliance.

The proposed Change of Control will not alter the types of degrees offered, credit requirements for those degrees, program learning goals, assessment methods, general education requirements or framework, or federal requirements regarding credit ascription. Therefore, the Institution will continue to meet this Eligibility Requirement.

#### **7. Information to the Public**

The institution makes public its statements of mission, vision, and values; full descriptions of its program requirements; its requirements for admission both to the institution and to particular programs or majors; its policies on acceptance of transfer credit, including how credit is applied to degree requirements; clear and accurate information on all student costs, including tuition, fees, training and incidentals, and its policy on refunds; its policies regarding good standing, probation, and dismissal; all residency requirements; and grievance and complaint procedures.

The institution portrays clearly and accurately to the public its accreditation status with institutional, specialized, and professional accreditation agencies as well as with the Higher Learning Commission, including a clear distinction between candidate or accredited status and an intention to seek status.

Information about the Institution’s mission, vision and values, program requirements, requirements for admission, policies on acceptance of transfer credit, student costs, refunds, student standing, residency, and complaint procedures are all readily available to the public on the Institution’s website (<https://www.eacc.edu/>). Information about the Institution’s standing with HLC, in addition to information regarding the accreditation of EACC’s Paramedic Program, is also available on the Institution’s website (<https://www.eacc.edu/upages.php?id=230>).

In terms of providing information to the public regarding the proposed Change of Control, EACC has developed a website that is available to the general public (<https://www.eacc.edu/upages.php?id=444>). [This website includes](https://www.eacc.edu/upages.php?id=444) “EACC-UA SYSTEM FAQ’s,” with information regarding advantages of the Change of Control, how the mission will not change, how EACC will maintain its institutional identity and local management, how quickly the Change of Control can be expected to occur, etc.

This information will continue to be available following the Change of Control and thus, the Institution will continue to meet this Eligibility Requirement.

#### **8. Financial Capacity**

The institution has the financial base to support its operations and sustain them in the future. It demonstrates a record of responsible fiscal management, including appropriate debt levels.

The institution:

- a. has a prepared budget for the current year and the capacity to compare it with budgets and actual results of previous years; and
- b. undergoes external financial audit by a certified public accountant or a public audit agency. For private institutions the audit is annual; for public institutions it is at least every two years. (Institutions under federal control are exempted provided that they have other reliable information to document the institution’s fiscal resources and management.)

EACC has an approved fiscal year budget for 2024-25 and is able to compare it with budgets from recent years. Not only does EACC have an annual audit by Arkansas’ Legislative Joint Auditing Committee, but

results of these audit are available to the public on the Institution’s website at <https://www.arklegaudit.gov/reports?keyword=East+Arkansas+Community+College>. The most recent audit report is dated July 19, 2023, for the year ending June 30, 2022.

#### 9. Administration

The institution has a Chief Executive Officer appointed by its governing board.

The institution has governance and administrative structures that enable it to carry out its operations.

Dr. Cathie Cline currently serves as EACC’s president. According to EACC Board Policy, among the “powers and duties” of the Board of Trustees of EACC is “to appoint, with the advice of the Arkansas Higher Education Coordinating Board, and fix compensation and term of office of a President of the East Arkansas Community College, who shall be executive officer for the local Board and for the College” ([Operation of the Board of Trustees, page 5](#)).

Following the Change of Control, Dr. Cline will “continue in her role as the chief administrative officer of the College, managing all employees and making decisions regarding personnel.” No changes will be made to the administrative team, or to the governance structures that currently allow it to carry out its operations. Therefore, this Eligibility Requirement will continue to be Met.

#### 10. Faculty and Other Academic Personnel

The institution employs faculty and other academic personnel appropriately qualified and sufficient in number to support its academic programs.

EACC’s 2024 Institutional Update indicates that there are 48 full-time faculty, 49 full-time administrators, 16 part-time administrators, 27 full-time staff, and 15 part-time staff serving 267 certificate-seeking undergraduates, 206 degree-seeking undergraduates, and 473 non-degree-seeking students, with a student-to-faculty ratio of 10. As noted under Key Factor 3, below, the Institution’s recent Assurance Review confirmed that it possesses an adequate number of qualified faculty and staff. Because, as noted previously, there will be no changes to the faculty or staff as a result of this proposed Change of Control, the Institution will continue to meet this Eligibility Requirement.

#### 11. Learning Resources

The institution owns or has secured access to the learning resources and support services necessary to support the learning expected of its students (research laboratories, libraries, performance spaces, clinical practice sites, museum collections, etc.).

EACC’s library not only provides hard copy books, but access to a number of online databases, including EBSCOhost, ProQuest, Gale Academic OneFile, SIRS Researcher, PrepSTEP, and ERIC. The library also provides tours for EACC students with general information about the library, and a 45-minute class that educates EACC students on use of the online catalog and the online databases, with training on basic research skills and evaluating sources. For EACC’s nursing programs, clinical practice sites are utilized, governed by policies from the EACC Nursing Department [Clinical Handbook](#). No changes to these resources are expected as a result of this proposed Change of Control and so the Institution will continue to meet this Eligibility Requirement.

## 12. Student Support Services

The institution makes available to its students support services appropriate for its mission, such as advising, academic records, financial aid, and placement.

Student Support Services at EACC include [Academic Advising](#), [Career/Transfer Services](#), [Counseling](#), [Disability Services](#), [Student Support Services \(SSS\) TRIO](#), and [Veterans Affairs, with information about these services available on the Institution's website](#). As confirmed during the Change of Control Visit, no changes to these resources are expected and so the Institution will continue to meet this Eligibility Requirement.

## 13. Planning

The institution demonstrates that it engages in planning with regard to its current and future business and academic operations.

EACC's Strategic Planning includes the Strategic Priorities for 2022-2027, available to the public online at [https://www.eacc.edu/plugins/show\\_image.php?id=4520](https://www.eacc.edu/plugins/show_image.php?id=4520). This plan, which was updated in January 2024, lays out the following four strategic priorities:

- Learner Success
- Student Experience
- Operational Excellence
- Community and Workforce Engagement

Each of these priorities has two or more goals, and each goal has two or more objectives. The Board of Trustees oversees the Strategic Planning Committee, which monitors, reviews, and reports on the College's progress on these priorities. A report on annual progress is prepared each July and is presented to the President's Cabinet and the Board of Trustees for review.

This Change of Control will not involve a change to the Strategic Priorities. Therefore, this Eligibility Requirement will continue to be Met.

## 14. Policies and Procedures

The institution has appropriate policies and procedures for its students, administrators, faculty, and staff.

While the peer review team could not determine whether there was a single location where all EACC policies can be found, the team determined that the policies and procedures relating to the operations of the college regarding students, faculty, and staff are appropriate, fair, and reasonable and are otherwise available for review. Websites for various campus services are available to the public with readily accessible information regarding procedures. The [Student Handbook](#) is also available on the EACC website, and provides extensive information on student policies and procedures. No changes to these policies or procedures are expected as a result of this potential Change of Control and so the Institution will continue to meet this requirement.

### 15. **Current Activity**

The institution has students enrolled in its degree programs. (To be granted initial accreditation, an institution must have graduated students from at least one degree program.)

According to EACC's 2024 Institutional Update, the Institution has 267 certificate-seeking students and 206 degree-seeking students. There were 538 total certificates awarded, and 89 degrees awarded as reported in the 2024 submission. The Institution will continue to enroll students in degree programs following the Change of Control and so it will continue to meet this Eligibility Requirement.

### 16. **Integrity of Business and Academic Operations**

The institution has no record of inappropriate, unethical, and untruthful dealings with its students, with the business community, or with agencies of government. The institution complies with all legal requirements (in addition to authorization of academic programs) wherever it does business.

There are no indications that the Institution has been involved in inappropriate dealings and it otherwise appears to be in compliance with all legal requirements. Therefore, this Eligibility Requirement is Met and will likely continue to be Met following the transaction.

### 17. **Consistency of Description Among Agencies**

The institution describes itself consistently to all accrediting and governmental agencies with regard to its mission, programs, governance, and finances.

As noted, EACC's [mission](#), [programs](#), and [financial condition reports](#) are all readily and publicly available on the Institution's website. The peer review team found no indication that any representations have been made to external organizations that are inconsistent with the publicly available information or information that has otherwise been provided to HLC.

### 18. **Accreditation Record**

Within the five years preceding the submission of the [application]<sup>2</sup>, the institution has not (a) been subject to a sanction or Show-Cause Order with another recognized accreditor; (b) has not been subject to an adverse action with another recognized accreditor; or (c) has not voluntarily resigned its status with another recognized accreditor while subject to (a) or (b).

EACC has not been subject to a sanction, Show-Cause order, or adverse action from another recognized accreditor within the past five years or otherwise voluntarily resigned while subject to such an action.

### 19. **Good Faith and Planning to Achieve Accreditation**

The board has authorized the institution to seek membership with HLC and indicated its intention, if a member of HLC, to accept the Obligations of Membership.

The institution has a realistic plan for achieving accreditation with HLC within the period of

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<sup>2</sup> Language substituted. While the original Eligibility Requirement language references an institution's initiation of the Eligibility process, in this context HLC reviews the applicable time period preceding the submission of the relevant Change of Control application.

time set by HLC policy.

- a. If the institution offers programs that require accreditation from a recognized accreditor in order for its students to be certified or sit for licensing examinations, it either has the appropriate accreditation or discloses publicly and clearly the consequences of the lack thereof. The institution always makes clear to students the distinction between the various types of accreditation and the relationship between licensure and these various types of accreditation.
- b. If the institution is predominantly or solely a single-purpose institution in fields that require licensure for practice, it demonstrates that it is also accredited by or is actively in the process of applying to a recognized accreditor for each field, if such a recognized accreditor exists.

As noted, EACC has been continuously accredited by the HLC since 1979. It successfully completed its Open Pathway Assurance Review on July 31, 2024, after having its accreditation reaffirmed in 2019-20 and the Institution will continue to maintain its HLC accreditation following the Change of Control. The evidence in the Institution's application also indicates that Institution has acted deliberately and on an informed basis as it pursues the Change of Control.

### **Assessment of Compliance With the Criteria for Accreditation After the Transaction**

#### **Criterion 1. Mission**

The institution's mission is clear and articulated publicly; it guides the institution's operations.

#### **Core Components**

- 1.A. The institution's mission is articulated publicly and operationalized throughout the institution.
- 1.B. The institution's mission demonstrates commitment to the public good.
- 1.C. The institution provides opportunities for civic engagement in a diverse, multicultural society and globally connected world, as appropriate within its mission and for the constituencies it serves.

EACC recently completed its Open Pathway Assurance Review. As noted in the action letter dated July 31, 2024, the Institution was found to meet all the Core Components of the Criteria for Accreditation, and no monitoring was required.

The team that conducted the Assurance Review noted that, with respect to Criterion 1, "EACC clearly articulates its mission, vision, and strategic priorities through multiple mediums: print, video, and digital," and that "as a community college, EACC recognizes its responsibility to serve the needs of its external constituencies for the public good. Accordingly, the institution offers a variety of services and programs for its diverse residents." The team also noted that "[a]s a community college, EACC recognizes its responsibility to serve the needs of its external constituencies for the public good. Accordingly, the institution offers a variety of services and programs for its diverse residents." The Review stated as an example of the institution's "forward-thinking" orientation the "application for membership into the University of Arkansas System, pending HLC approval of its petition for change of control."

As noted, the Institution’s mission will not change following the Change of Control and the Institution will continue to publish and operationalize this mission. Therefore, based on the evidence, this Criterion and its Core Components will continue to be Met following the Change of Control.

## **Criterion 2. Integrity: Ethical and Responsible Conduct**

The institution acts with integrity; its conduct is ethical and responsible.

### **Core Components**

2.A. The institution establishes and follows policies and processes to ensure fair and ethical behavior on the part of its governing board, administration, faculty and staff.

2.B. The institution presents itself clearly and completely to its students and to the public.

2.C. The governing board of the institution is autonomous to make decisions in the best interest of the institution in compliance with board policies and to ensure the institution’s integrity.

2.D. The institution is committed to academic freedom and freedom of expression in the pursuit of truth in teaching and learning.

2.E. The institution’s policies and procedures call for responsible acquisition, discovery and application of knowledge by its faculty, staff and students.

As noted, the Institution successfully completed its Open Pathway Assurance Review shortly before the Change of Control Visit. With respect to this Criterion, the Assurance Review team affirmed that EACC’s Board of Trustees has adopted and approved a “2022-2027 Strategic Priorities Plan”, and in addition “follows administrative rules set forth by the Arkansas Department of Higher Education Coordinating Board (ADHECB) as well as all applicable state and federal laws, regulations, policies and procedures.” It was the team’s assessment that “EACC provided clear narrative and significant evidence to support its claim of operating with integrity in all these areas, including detailed examples of how it operationalizes each one.”

The team also documented that “[a]s stipulated in the Arkansas State Constitution, Amendment 52 and Arkansas Code § 6-61-521, Eastern Arkansas Community College is authorized as an independent public community college district and is governed by a nine-member Board of Trustees [“Board”] appointed by the governor and approved by the Senate” and “Board members receive regular training on legal and fiduciary and governance responsibilities.” Following the Change of Control, the EACC board will transition to an advisory Board of Visitors, with the UA Board assuming the role of the governing body for the institution.

As noted earlier, the UA Board is comprised of 10 Trustees appointed by the Governor of Arkansas, with each Board member serving a 10-year term. Stated in its General Provisions, the UA Board has legal control and responsibility for the functions of the University of Arkansas’s educational and administrative units, which will include EACC following the Change of Control. The UA Board is autonomous to make decisions in the best interest of its institutions, in compliance with board policies and to ensure the the integrity of its institutions. In particular, the UA Board’s standing committee for Two-Year Colleges and Technical Schools will inform governance of EACC. As stated in the application materials, this committee:

“shall make recommendations to the Board on matters pertaining to the development of a coordinated system of comprehensive two-year colleges and technical schools in the University

of Arkansas. This committee shall recommend to the Board criteria for evaluating additional two-year campuses and technical schools for the University of Arkansas and shall participate in the review of admission of additional campuses. It shall advise and assist the President and the Board in maintaining a relationship with the Board of Visitors, the local community, and the two-year college and technical school faculty and staff. This committee shall be concerned with the definition of mission, role and scope, and the relationship of two-year campuses and technical schools with all other campuses and units in the University.”

Separately, EACC’s commitment to academic freedom is demonstrated by “EACC’s Board Policy BP 4-10.” This policy will remain in place as the EACC Board transitions to the Board of Visitors following the Change of Control.

Finally, the team stated that “EACC provides students guidance in the ethics of research and the use of information resources through several mechanisms such as assessment of student learning of its core competencies, developmental studies, composition classes, writing-across-the-curriculum, and the library.”

Based on the evidence, Criterion 2 will continue to be Met by EACC after the Change of Control.

### **Criterion 3. Teaching and Learning: Quality, Resources, and Support**

The institution provides high quality education, wherever and however its offerings are delivered.

#### **Core Components**

3.A. The rigor of the institution’s academic offerings is appropriate to higher education.

3.B. The institution offers programs that engage students in collecting, analyzing and communicating information; in mastering modes of intellectual inquiry or creative work; and in developing skills adaptable to changing environments.

3.C. The institution has the faculty and staff needed for effective, high-quality programs and student services.

3.D. The institution provides support for student learning and resources for effective teaching.

As part of the most recent Assurance Review, the team pointed out that EACC “uses industry standards and third-party accrediting agencies where relevant as a means of assuring that career and technical education offerings meet the required levels of performance” and that “EACC’s program quality and learning goals are consistent across all modes of delivery and locations.” EACC’s “general education coursework framework is part of the Arkansas General Education Curriculum (AGEC-A).”

The team also noted that EACC “employs 47 full-time faculty and 34 adjunct or part-time faculty Members” and the reported “ratio of students to faculty is 13:1.” The team affirmed that EACC “offers technology to meet student, staff, and faculty needs” and boasts “a robust IT and library infrastructure to support learning and teaching.”

As part of the Change of Control Visit, the peer review team confirmed that the structures and practices in place at EACC as they relate to this Criterion will not be altered by the Change of Control, including with respect to these areas and, as noted, with respect to the number and qualifications of the Institution’s faculty and staff. Thus, this Criterion and its Core Components will continue to be Met by EACC following the Change of Control.

#### **Criterion 4. Teaching and Learning: Evaluation and Improvement**

The institution demonstrates responsibility for the quality of its educational programs, learning environments, and support services, and it evaluates their effectiveness for student learning through processes designed to promote continuous improvement.

##### ***Core Components***

4.A. The institution ensures the quality of its educational offerings.

4.B. The institution engages in ongoing assessment of student learning as part of its commitment to the educational outcomes of its students.

4.C. The institution pursues educational improvement through goals and strategies that improve retention, persistence and completion rates in its degree and certificate programs.

As part of the recent Assurance Review, the review team found that EACC complies with state mandates whereby “the Arkansas Higher Education Coordinating Board (AHECB) requires existing academic programs to be reviewed every seven to ten years.” The “registrar’s office is responsible for evaluating transfer credit in accordance with policies that are outlined in the catalog,” and “[t]he National Student Clearinghouse is used to determine if credits are earned at other accredited institutions.”

The team also determined that “EACC has an assessment plan that includes definitions, accounts of different levels of assessment, and a reporting process that goes to college leaders, the campus community, and to the general public” that “also includes Institutional Learning Outcomes (ILOs) also known as Core Competencies (CCs), instructions for writing measurable goals, as well as forms to guide curricular and co-curricular assessment projects.” The team further affirmed that “EACC provided evidence of using retention, completion, and persistence data to make improvements.”

In its summary for Criterion 4, the team concluded that “EACC continues to assess student learning and make improvements based on those results. In addition, the college uses completion, retention, and persistence data to make improvements as well. EACC has made strides in co-curricular assessment by tying co-curricular programs into its overall assessment process. The college has collected data related to co-curricular assessment, provided a timetable for assessing co-curricular programs, and has provided an institution-wide definition of co-curricular.”

With respect to program review, assessment of student learning, and the Institution’s use of data related to student outcomes, they will not be altered by the Change of Control. Therefore, this Criterion will continue to be Met by EACC following the transaction.

#### **Criterion 5. Resources, Planning, and Institutional Effectiveness**

The institution’s resources, structures, and processes are sufficient to fulfill its mission, improve the quality of its educational offerings, and respond to future challenges and opportunities. The institution plans for the future.

##### ***Core Components***

5.A. Through its administrative structures and collaborative processes, the institution’s leadership demonstrates that it is effective and enables the institution to fulfill its mission.

5.B. The institution’s resource base supports its educational offerings and its plans for maintaining and strengthening their quality in the future.

5.C. The institution engages in systematic and integrated planning and improvement.

As part of the recent Assurance Review, the review team stated that “EACC has policies and practices that engage all internal constituencies in shared governance” and that “[f]aculty are involved in setting academic requirements, policies, and processes through participation on the Academic Standards Committee, the Assessment of Student Learning and Engagement Committee, and the Strategic Planning Committee.”

In terms of the resource base, “EACC's fiscal allocations ensure that its educational purposes are achieved and reflect its mission of academic accessibility, affordability, student success, and serving the community.” The team found that “[t]he EACC Strategic Priorities 2022-2027 KPI report and the Closing the Loop Report 2024 . . . provide evidence of how the institution links its processes for assessment of student learning, evaluation of operations, planning, and budgeting.”

The Assurance Review team concluded that the Criterion 4 was Met and that “EACC has demonstrated that its resources, structures, processes and planning are sufficient to fulfill its mission, improve the quality of its educational offerings, and respond to future challenges and opportunities.”

As noted earlier, Dr. Cathy Cline will remain as the Chief Executive Officer at EACC. Once EACC becomes a member of the System, she will transition to the role of Chancellor and will report to the President of the UA System. The Institution stated there will otherwise be no changes to its administrative team. Similarly, the Institution’s shared governance practices will remain in place following the transaction.

With respect to the Institution’s resource base, as furthered explained under Key Factor 4 below, the Institution will continue to prepare draft budgets and monitor its revenues and expenses. The proposed Change of Control will simply add another layer of oversight and control with respect to the Institution’s resource base, as the draft EACC budget would be reviewed by the UA President prior to review and approval by the UA Board. As noted, the Institution currently maintains a healthy resource base and will continue to do so as part of UA System.

The available evidence indicates that Criterion Five will continue to be Met by EACC after the Change of Control.

### Shared Service Arrangements

Analysis of Shared Services Arrangements involved in the transaction, subject to review and approval under HLC policy (Explain how the arrangements support the institution's continued compliance with HLC requirements):

This Change of Control does not involve a Shared Services Arrangement subject to review and approval by HLC.

### Team determination on Key Factor 3: MET

#### **Key Factor 4. Sufficiency of financial support for the transaction.**

The 2024-2025 EACC budget is anticipated to balance at approximately \$19,839,064. This includes \$10,742,744 in governmental appropriations (54.1% of the budget), \$3,189,529 for tuition & various fees (16.1%), \$272,133 in other educational and general income (1.4%), grants and gifts, \$783,350 in auxiliary enterprises income (3.9%), and \$4,691,308 in restricted grants, contracts, and gifts (23.6%). Revenue sources align with the fiscal year 2024 budget, the 2021-2022 audit report, and the 2022-2023 preliminary audit report. Through on-campus conversations with EACC and UA employees, the Change of Control between EACC and UA will not alter revenue sources. EACC will still receive funding from the same sources with differences based on enrollment trends and grants received.

Reviewing the 2024-2025 proposed expenditure budget reveals categorical expenditure consistency from the fiscal year 2024, the 2021-2022 audit report, and the 2022-2023 preliminary audit report. Detailed departmental anticipated expenditures for the current fiscal year totaled \$14,364,406 for educational and general unrestricted operations (72.4%) and \$4,691,308 in restricted educational and general operations (23.6%). On-campus conversations with EACC and UA employees revealed that the Change of Control between EACC and the UA will not drastically alter expenditure categories. Anticipated changes for future years may include additional costs to cover legal, fiscal, and other resources for EACC that will be available to them through the Change in Control with UA. Furthermore, EACC can benefit from using additional systems that UA uses, such as Blackboard and Workplace, which could save EACC expenses and give EACC a larger resource base to obtain assistance.

EACC's system of internal financial controls, which includes the development of the budget, the President's cabinet review, and the Board of Trustee's review and approval will be altered to include an additional layer of review and controls. After EACC develops its draft budget, the EACC Chancellor will recommend the budget to UA's President who will review and forward it to UA's Board of Trustees for review and approval. EACC will continue to manage its budget and planning and comply with required state audits. On-campus interviews with EACC and UA representatives revealed benefits from this process including support for investment funding and those listed above.

EACC has a healthy cash balance - enough to pay off current debt. Budget and audit documents in the Change of Control application reveal long-term sustainability for UA. In summary, EACC does not financially need to merge with UA. However, EACC is applying to do so to ensure future stability and opportunities for EACC students. As outlined above, this Change of Control can help EACC add "to and/or improve the education and employment opportunities that it provides to the greater eastern Arkansas region." This was confirmed by both EACC and UA representatives. Finally, additional benefits for students and employees will result in the Change of Control including student tuition rate at UA equal to the EACC tuition rate for transferring students and employee tuition support at the UA. Conversations with EACC and the UA revealed no current plans to increase tuition and fees for EACC students.

Based on this evidence, the parties have sufficient resources to complete the Change of Control.

#### **Team determination on Key Factor 4: MET**

**Key Factor 5.** Previous experience in higher education, qualifications, and resources of the new owners, Board members or other individuals who play a key role in the institution or related entities subsequent to the transaction, as well as such parties' record of integrity in dealing with students, the business community, agencies of government or other accreditors.

As articulated throughout this Report, the University of Arkansas System has demonstrated that it possesses appropriate higher education experience and qualifications, sufficient resources, and integrity in dealing with students, the business community, agencies of government, and other accreditors.

As mentioned earlier, the UA Board is comprised of 10 Trustees appointed by the Governor of Arkansas, with representatives from each Congressional district in the state. This geographic distribution ensures that each community college in the System has regional representation on the Board. Each Board member serves a 10-year term, offering consistency and experience to member institutions.

The President is the chief executive officer of the UA System and reports to the UA Board. Each institution has a Chancellor as its chief executive officer, reporting directly to the President. The UA System President is Dr. Donald R. Bobbitt, who has served in this role since November 1, 2011.

Moreover, the UA System has ultimately incorporated 7 other institutions into its fold, and therefore, is well-accustomed to forging collaborative partnerships with regional institutions such as EACC. The UA System's effort to incorporate EACC into the system is distinguished by a resolve to preserve EACC's identity and its local autonomy so that it may maintain its relevance in the community.

The System's record of collaborating with other institutions indicates a strategic dedication to improving education in the state and a determination to ensure that higher education will have a favorable impact on Arkansas' workforce and the quality of life for its residents.

#### Team determination on Key Factor 5: MET

## Addendum for Applications Involving an Acquisition Followed by a Merger or Consolidation

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Complete this section only for applications involving an acquisition followed by a merger or consolidation of another institution. In such cases, the institution must secure HLC approval for and consummate the acquisition prior to separately securing HLC approval for the subsequent merger or consolidation in accordance with HLC policies and procedures for Change of Control, Structure or Organization.

Explain how the applying institution will ensure stability and ongoing compliance with HLC requirements during the period following the acquisition and prior to the merger or consolidation.

**Note:** Any concerns as they relate to a particular Eligibility Requirement or Core Component within the Criteria for Accreditation should be fully explained and referenced in the appropriate section(s) of this report.

Not applicable to this transaction.

## Conclusion

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Having reviewed the application and conducted the Change of Control Visit, the Change of Control review team determined that the EACC's Change of Control application meets all Key Factors for approval set forth in HLC Policy. The evidence indicates that the proposed Change of Control has been well thought-out and that EACC is in a strong position to join the System. Similarly, the System's track record in adding new institutions provides further assurances that the transition will be smooth and that the Change of Control will ultimately be beneficial to both parties and to the constituents served by EACC.