



South Carolina Commission on Higher Education

Mr. Kenneth B. Wingate, Chair
Dr. Bettie Rose Horne, Vice Chair
Ms. Natasha M. Hanna
Ms. Elizabeth Jackson
Dr. Raghu Korrapati
Ms. Leah B. Moody
Vice Admiral Charles Munns, USN (ret.)
Mr. Kim F. Phillips
Mr. Y. W. Scarborough, III
Dr. Jennifer B. Settlemeyer
Mr. Rodney A. Smolla
Mr. Guy C. Tarrant, CCIM
Mr. Hood Temple
The Honorable Lewis R. Vaughn

Ms. Julie J. Carullo
Acting Executive Director

CHE
05-03-12
Agenda Item 8.02.E

May 3, 2012

MEMORANDUM

TO: Mr. Ken Wingate, Chair and Members, S.C. Commission on Higher Education

FROM: Dr. Bettie Rose Horne, Chair, and Members, Committee on Academic Affairs and Licensing

Consideration of Request for Amendment to Existing License to Add New Site A.A.S., Business Administration; A.A.S., Criminal Justice; A.A.S., Network Engineering Virginia College, New Site in Seneca

Summary

Virginia College (VC) in Birmingham, AL (www.vc.edu) requests approval of an amendment to its license to add a new site in Seneca. The College proposes to offer at the new site existing programs leading to the A.A.S. degree in (1) Business Administration, (2) Criminal Justice, and (3) Network Engineering. With the approval of CHE, classes will begin at the Seneca site in October 2012. The programs will be offered on-ground with the option to take courses through Virginia College Online.

In August 2010, the City of Seneca passed a resolution stating its desire to actively seek and support the location of a college in Seneca. The Oconee County Council subsequently passed a resolution supporting the city in its quest. City and county officials and local business leaders met on several occasions with Virginia College officials to recruit the institution to Seneca, and local economic development leaders and elected officials have expressed support of the development of a branch campus. College officials intend to establish a branch with limited programs and enrollment.

Virginia College is a private, for-profit institution owned by Virginia College, LLC, an Alabama limited liability company that is a wholly owned subsidiary of Education Corporation of America (ECA), a Delaware corporation. Virginia College was founded in 1983 and operates 30 campuses in Alabama, Colorado, Florida, Georgia, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, Texas, and Virginia, as well as Virginia College Online. The network of schools enrolls a total of approximately 17,000 students.

The Commission licensed Virginia College in Greenville in July 2008. Additional sites licensed by the Commission include Charleston (September 2009), Columbia (March 2010),

Spartanburg (December 2010), and Florence (March 2012). Approximately 3,000 students are enrolled among the four sites.

The Accrediting Council of Independent Colleges and Schools (ACICS) has accredited Virginia College since 1990. Current accreditation extends through December 31, 2013. ACICS will initially grant interim inclusion for the Seneca branch; final inclusion of a branch campus is granted after a site review, which is typically conducted within 18 to 24 months after establishment of a new branch. The U.S. Department of Education recognizes the interim accreditation and allows the school access to Title IV financial aid. Virginia College is licensed by the Private School Licensure Division of the Alabama Department of Postsecondary Education.

The following information from the U.S. Department of Education (USDE) shows student loan default rates at Virginia College (combined averages for all Virginia College campuses).

OPE ID	School	Type	Control	PRGMS		FY2009	FY2008	FY2007
030106	Virginia College	Master's Degree or Doctor's Degree	Proprietary	Federal Family Education Loans and Federal Direct Loans (FFEL/FDL)	Default Rate %	12.4%	5.4%	7.9%
					No. in Default	1041	305	368
					No. in Repay	7950	5570	4657
Students enrolled at any time during the year						15,263	10,005	5,739
Percentage of borrowers entering repayment						52.1%	55.9%	81%

To provide context for the Cohort Default Rate (CDR), USDE includes enrollment data (students enrolled at any time during the year) and a corresponding percentage (borrowers entering repayment divided by that enrollment figure). While there is no direct relationship between the timing of when a borrower entered repayment (October 1 through September 30) and any particular enrollment year, these data are for the academic year ending on the June 30 prior to the beginning of the cohort year (e.g., FY 2009 CDR Year uses 2007-2008 enrollment).

The USDE sanctions a school when the school's three most recent cohort default rates are 25 percent or higher or if a school's current default rate is greater than 40 percent. Except in the event of a successful adjustment or appeal, such a school will lose Federal Family Education Loan, Direct Loan, and Federal Pell Grant program eligibility for the remainder of the fiscal year in which the school is notified of its sanction and for the following two fiscal years. According to Virginia College officials, an estimate of the average Title IV student loan debt for graduates of programs leading to an associate degree is \$22,206.

Virginia College officials have challenged the Department's calculations in determining the institution's 2009 default rate and are awaiting confirmation from the Department that the accurate default rate for 2009 is 11.4%.

Institution officials have identified and will develop facilities in Seneca that will include two lecture classrooms, a computer lab, a student lounge, faculty and staff work areas, administrative facilities, and a learning resource center. Simulated medical labs for the programs in medical assisting and network engineering will also be developed. Officials will

provide the location lease agreement and applicable fire inspection and business licenses to the staff when the facilities have been leased, renovated, and inspected.

Virginia College makes available sufficient learning resources to support the courses and degrees offered. A professional librarian will manage the campus library; maintain an up-to-date, quality collection; and provide instruction on and assistance with informational resources. All students are provided access to the VC Virtual Library which includes more than 43,000 full-text books, 50,000 periodicals, and multiple databases.

The Virginia College campus in Seneca will have an on-site campus manager who will report to the campus president of the College's Greenville campus; the campus will also employ a full-time receptionist. Initially, the admissions, financial aid, and student accounts teams will be manned on a rotating basis by staff members from the Greenville campus.

Faculty at Virginia College branches in South Carolina who teach general education courses must possess a master's degree with 18 hours in the teaching discipline or must hold a master's degree with a major in the teaching discipline. Faculty teaching courses in professional, technical, and occupational areas that do not usually result in college transfer must possess appropriate academic preparation (usually a bachelor degree) or academic preparation coupled with work experience. An appropriate number of faculty members must hold terminal degrees. Each degree must be from an institution accredited by an accrediting agency recognized by the U.S. Department of Education. Full-time faculty from the Greenville campus will teach courses at Seneca and local adjunct faculty will also be hired. Institution officials expect to hire full-time staff and faculty for the campus once warranted by the student population.

Applicants for admission must have a high school diploma or equivalent and must take an assessment exam unless they have already completed an associate or bachelor degree program. Transfer credits may be accepted by the College if an official transcript is submitted and the credits were completed at an institution accredited by a recognized accrediting agency with a grade of "C" or above with comparable content. Courses completed more than five years prior to enrollment may be transferred at the approval of the academic dean. Computer and technology-related courses generally are not accepted for transfer if completed more than three years prior to enrollment.

Virginia College officials will limit enrollment to correspond with job placement opportunities and project enrolling 80 students at the Seneca site during the first year. Enrollment projections are for students enrolled in degree and non-degree programs.

Tuition is charged per quarter. Depending on the program and number of hours attended each quarter, the total tuition cost for an associate degree program is \$35,040 to \$40,560. Tuition is inclusive of fees and books.

The following are descriptions for each existing program. The Commission approved the curriculum for each program previously when it licensed other Virginia College sites.

A.A.S., Business Administration

Virginia College requests amendment of its license to offer a program leading to the A.A.S. degree in Business Administration at its new site in Seneca. Students enrolled in the Business Administration program will develop the skills needed to gain positions in a variety of

management settings. Coursework in this program focuses on decision-making skills, effective leadership, cutting-edge technology, and strategic planning.

Three specialized accrediting agencies for business programs are recognized by Council for Higher Education Accreditation (CHEA). The Accreditation Council for Business Schools and Programs (ACBSP) requires regional accreditation. The Association to Advance Collegiate Schools of Business (AACSB) and the International Assembly for Collegiate Business Education (IACBE) accredit only programs that award a bachelor degree or higher. Practitioner licensure or certification is not required for employment.

The U.S. Department of Labor, Bureau of Labor Statistics, *Occupational Outlook Handbook (OOH), 2010-2011 Edition*, lists a variety of management employment opportunities for holders of business administration credentials in a myriad of settings. Business service managers work throughout private industry and government and have a wide range of responsibilities, experience, earnings, and education. The number of jobs for administrative service managers is projected to grow about as fast as the average for all occupations.

Nine technical colleges and six private colleges and universities in the state offer programs leading to the associate degree in general business.

A.A.S., Criminal Justice

Virginia College requests amendment of its license to offer a program leading to the A.A.S. degree in Criminal Justice at its new site in Seneca. The Criminal Justice program at Virginia College is designed to prepare veteran criminal justice professionals for career advancement and to train individuals to enter the field of criminal justice for the first time. Students in the program will learn the history and development of court systems, study techniques of crime scene investigation, and be able to explain legal and moral courses of action for various situations in the criminal justice system.

There is no specialized accrediting agency for criminal justice. Practitioner licensure or certification is not required for employment; however, those who wish to enter local or state law enforcement may require additional training.

According to the U.S. Department of Labor, Bureau of Labor Statistics, *Occupational Outlook Handbook, 2010-2011 Edition*, opportunities in local police departments will be favorable for individuals who meet psychological, personal, and physical qualifications. Employment of probation officers and correctional treatment specialists is projected to grow faster than the average for all occupations. Additional openings in this field will be created by the need to replace workers who retire and those who leave local agencies for Federal jobs and private sector security jobs.

In South Carolina, 13 state technical colleges, one public college, and seven private colleges offer programs leading to the associate degree in criminal justice.

A.A.S., Network Engineering

Virginia College requests amendment of its license to offer a new program leading to the A.A.S. degree in Network Engineering at its new site in Seneca. The Network Engineering program is designed to prepare students for entry-level employment in positions that provide basic and advanced network administration and engineering services. Students will gain

through classroom and hands-on experiences the skills needed to operate, install, configure, troubleshoot, upgrade, and maintain personal computers and complex networks.

Two specialized accrediting agencies for programs such as networking engineering are recognized by Council for Higher Education Accreditation (CHEA). The Accreditation Council for Business Schools and Programs (ACBSP) and ABET require regional accreditation. Practitioner licensure or certification is not required for employment; however, particular certifications are preferred for employment. The program leading to the A.A.S. degree in Network Engineering prepares students for networking and computer certifications such as Network +, Cisco Certified Network Associate (CCNA), and Microsoft Certified Systems Administrator (MCSA).

The U.S. Department of Labor, Bureau of Labor Statistics, *Occupational Outlook Handbook, 2010-2011 Edition* predicts that employment of network and computer systems administrators is expected to increase by 23 percent from 2008 to 2018, much faster than the average for all occupations. Job prospects should be best for those with a college degree and relevant certifications. Computer networks are an integral part of business, and demand for these workers will increase as firms continue to invest in new technologies.

Fifteen technical colleges and four private institutions offer programs leading to associate degrees in computer/information science/technology majors with emphases in network engineering.

Recommendation

The Committee on Academic Affairs and Licensing commends favorably to the Commission staff authorization to amend the existing license for Virginia College at Birmingham, Alabama, to establish a branch campus in Seneca. Existing programs will be offered at Seneca leading to the Associate of Applied Science degree in (1) Business Administration, (2) Criminal Justice, and (3) and Network Engineering to be implemented in October 2012. The Committee further recommends that the Commission authorize the Commission staff to license the site in Seneca when the facilities have been developed and inspected by staff.