



CHANGE OF CONTROL MONITORING PROCEDURES

Policy Change Adopted on Second Reading

The Higher Learning Commission (HLC) Board of Trustees (“the Board”) adopted this policy on second reading at its meeting on November 5–6, 2020.

Background

The adopted policy change more precisely describes monitoring procedures that occur following the consummation of a Change of Control and simplifies nomenclature and language related to Change of Control review procedures. The revision also removes language that might have been construed as allowing a candidate institution to submit a Change of Control application. HLC only accepts such applications from accredited institutions.

HLC circulated these policy changes to the membership and other interested parties after the Board’s June 2020 meeting. No comments were received.

Implementation

This policy is effective immediately.

Adopted Policy

Wording that was deleted or revised is shown as strikethrough (~~old wording~~); new language, whether through addition or revision, is shown in bold (**new wording**). These revisions have been made on HLC’s website at hlcommission.org/policies.

Policy Title: Monitoring Related to Change of Control, Structure or Organization

Number: INST.F.20.080

~~Focused or Other~~ Evaluation After the ~~Transaction~~ Change of Control (Post-~~Transaction~~ Change of Control Visit). **If the Board votes to approve the Change of Control application with or without conditions, thereby**

authorizing accreditation for the institution subsequent to consummation of the Change of Control, the Commission will conduct an evaluation of the institution no later than six months after such consummation. A previously scheduled focused or comprehensive evaluation may fulfill this task provided that it is scheduled, or can be rescheduled, to be within the six-month timeframe.

The ~~focused or other evaluation subsequent to the consummation of the transaction~~ **Post-Change of Control Visit** will be conducted according to the Commission's procedure for focused or ~~other~~ **comprehensive** evaluations, as **applicable**. The evaluation will review the appropriateness of the approval of the ~~change~~ **Change of Control** as well as whether the institution ~~met~~ **fulfilled** any commitments made to the Commission prior to that approval. The evaluation team will also document that the institution continues to meet the ~~Eligibility Requirements and~~ **Criteria for Accreditation** or other requirements specifically articulated by the Board.

The team may recommend further Commission monitoring, rescheduling of the next comprehensive evaluation, or Commission sanctions or withdrawal of accreditation. If ~~the institution had been accredited by the Commission prior to the transaction, and~~ the team determines that the institution ~~continues to meet the Eligibility Requirements and other requirements articulated by the Board, but not~~ **is out of compliance with the Criteria for Accreditation**, the team must recommend ~~that~~ a sanction or withdrawal, as applicable under these policies. Recommendations for sanction or withdrawal will be reviewed by an Institutional Actions Council Hearing Committee and decided by the Commission's Board of Trustees in keeping with Commission policy.

~~Comprehensive Evaluation After the Post-Transaction~~ **Change of Control Visit**. The next comprehensive evaluation shall take place no later than five years after the ~~Post-Transaction~~ **Change of Control Visit** ~~and shall assess whether the institution under new control continues to meet the Criteria for Accreditation and bears a substantial relationship to the institution accredited by the Commission prior to the transaction.~~

Policy Number Key

Section INST: Institutional Processes

Chapter F: Maintenance and Monitoring

Part 20: Intermittent Monitoring

Last Revised: November 2020

First Adopted: June 2009

Revision History: February 2010, February 2012, June 2012, November 2019, November 2020

Notes: Policies combined November 2012 – 3.3(d)2, 3.3(d)3, 3.3(g)

Related Policies: INST.B.10.030 Related Entities, INST.B.20.040 Change of Control, Structure or Organization, INST.F.20.070 Processes for Seeking Approval of Change of Control