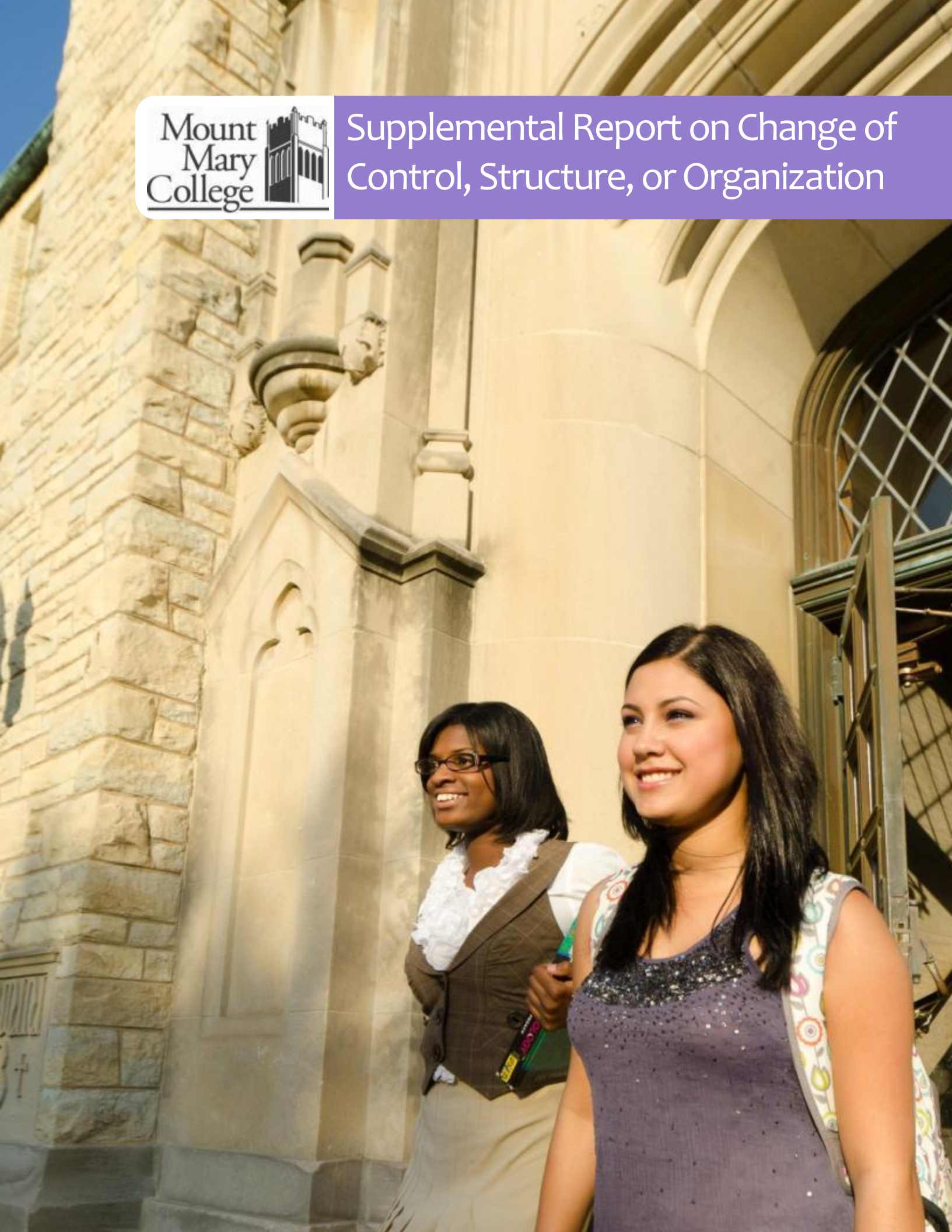




Supplemental Report on Change of Control, Structure, or Organization



PREPARED FOR

The Higher Learning Commission of the North
Central Association of Colleges and Schools

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Introduction

This supplemental report accompanies Mount Mary College's application to the Higher Learning Commission of the North Central Association of Colleges and Schools for a Change of Control, Structure, or Organization, August 19, 2011. Prior to July 1, 2011, Mount Mary College was sponsored by the School Sisters of Notre Dame, Milwaukee Province. Pursuant to a recommendation of the Provincial Superior of the Congregation in Rome, effective July 1, 2011, the Milwaukee province merged with provinces in Mankato, Minnesota, Saint Louis, Missouri, and Dallas, Texas to form a new non-profit corporation, School Sisters of Notre Dame Central Pacific Province. Mount Mary College has now been subsumed under the sponsorship of the School Sisters of Notre Dame Central Pacific Province.

The first part of this report details approval of Mount Mary College's Change of Control, Structure, or Organization by the Higher Learning Commission and the United States Department of Education. The second part focuses on the financial impact of the Change of Control. This part provides the financial status of the School Sisters of Notre Dame Central Pacific Province and the financial status of Mount Mary College. This part also discusses any changes to the financial outlook of Mount Mary College as a result of sponsorship by the School Sisters of Notre Dame Central Pacific Province. The third part elaborates on the organizational relationship between Mount Mary College and the School Sisters of Notre Dame Central Pacific Province subsequent to the transaction. The fourth part revisits the Institutional Statement included in Mount Mary College's initial application to the Higher Learning Commission. This part specifies that no issues have been impacted by the Change of Control transaction in six broad areas:

- Mission of the Institution
- Educational Programs, Delivery Modes, and Enrollment
- Strategic Planning

- Governance and Management Structure
- Faculty and Assessment of Student Learning
- Eligibility Requirements

The final part of this report documents that Mount Mary College continues to meet the Higher Learning Commission eligibility requirements for accreditation and criteria for accreditation, noting any changes from the initial application.

Part One: Approval of Change of Control, Structure, or Organization

At its November 3, 2011 meeting, the Higher Learning Commission Board of Trustees voted to approve the Change of Control, Structure, or Organization from the School Sisters of Notre Dame, Milwaukee Province to the School Sisters of Notre Dame Central Pacific Province. The approval action was conditional upon a visit to Mount Mary College by the Higher Learning Commission within six months of the approval date, focused on ascertaining the appropriateness of the approval and Mount Mary College's compliance with any commitments made in the Change of Control, Structure, or Organization application as well as with the Eligibility Requirements and the Criteria for Accreditation. Mount Mary College will host the Higher Learning Commission on April 30-May 1, 2012 for a visit fulfilling this purpose. No other requirements in the approval of the Change of Control, Structure, or Organization were noted by the Higher Learning Commission.

Mount Mary College filed a Change of Control application with the United States Department of Education on August 1, 2011, and a copy of this application was included in Mount Mary College's application to the Higher Learning Commission. On September 12, 2011, the U.S. Department of Education approved Mount Mary College's change in ownership resulting in a

change of control. The College's Temporary Provisional Program Participation Agreement contains the same terms and conditions as the Program Participation Agreement under which the College participated immediately prior to the change in ownership. The final documents required by the U.S. Department of Education—audited same day balance sheets for Mount Mary College and the School Sisters of Notre Dame Central Pacific Province, notification of approval of the change in ownership from the Higher Learning Commission, and Default Management Plan—were approved by the U.S. Department of Education on April 4, 2012. The Change of Control for Mount Mary College has been officially approved by the U.S. Department of Education.

Additionally, the U.S. Department of Education has issued a Deficiency Letter to Mount Mary College because the financial statements for the School Sisters of Notre Dame Central Pacific Province were not consolidated and because a lease agreement was not recorded in accordance with Generally Accepted Accounting Principles. The U.S. Department of Education requested that, starting next year, the School Sisters of Notre Dame Central Pacific Province and Mount Mary College prepare a consolidated financial statement in accordance with Generally Accepted Accounting Principles. Mount Mary College intends to fully meet the specified expectations of the U.S. Department of Education beginning next year.

Part Two: Financial Impact of Change of Control

Mount Mary College is secure in its finances and its relationship with its sponsors/owners, the School Sisters of Notre Dame Central Pacific Province. The reorganization of the School Sisters of Notre Dame Central Pacific Province on July 1, 2011, has not had a negative impact on the finances of Mount Mary College. The college's finances are managed independent of its sponsors, and all of its borrowing, investing and operations are carried out separately. This has

been the practice for many years and will continue to be so. At the midpoint of the current fiscal year, despite a decline in enrollment, Mount Mary College remains on sound financial footing and is poised to pursue long-term strategic initiatives. The following information is being submitted in corroboration, and much more is available for review at the upcoming focus visit.

I. Financial Statements.

The attached financial statements provide a comparison of the first half of the current fiscal year with that of the previous fiscal year. Please refer to Attachment A for details. All indications are that Mount Mary College has done an outstanding job of managing the college's resources. In summary, the narrative of this report states that:

In spite of some reversals, the college's financial results are solid. Mount Mary College anticipates that it will meet or exceed its budgeted surplus of \$1.34 million for the current academic year, and it has established reserves. Given the recent decline in enrollment, the college's strategic initiatives are more necessary than ever. The administration remains optimistic that compromising these initiatives should not be necessary at this point.

II. Budget Projection.

If Mount Mary College were to continue on the trajectory established during the first half of Fiscal Year 2011-12, the results would be positive. Attachment B indicates that Mount Mary College will end the current fiscal year above anticipated budget levels, posting a gain from operations of \$2.2 million (almost \$900,000 over budgeted surplus). At the time of writing of this document, third quarter financial information is not available, however, it should be available for review at the time of the focus visit. A revised projection shall also be issued at

that time. The college administration is not aware of any substantial events that could significantly affect this projection.

III. Financial Responsibility Indicators.

Mount Mary College keeps a close watch on its financial responsibility indicators. Data for Fiscal Year 2012 is currently not available, however, the college estimates that these indicators shall continue to be positive.

Tight control on expenses and increased revenue in preceding years have contributed to Mount Mary's current stable financial position. Due to the college's efficient management of its financial resources, total revenue grew from \$23,144,722 to \$26,996,952 (16.6%) between 2009 and 2011. Total expenses increased from \$19,953,530 to \$21,499,723 (7.7%) during that same period. The following financial ratios, as reported by the Council of Independent Colleges in July of 2011, are evidence of the college's favorable financial position:

	<u>2012*</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Primary Reserve Ratio	1.20	1.20	1.20	1.02
Equity Ratio	1.20	1.20	1.20	1.20
Net Income Ratio	0.60	0.60	0.60	0.60
Composite Financial Indicator	3.00	3.00	3.00	2.80

*Unaudited estimates.

IV. Investments.

Like many other institutions, the college experienced a decline in the value of its investments during the recent economic downturn. These losses are being recouped, however, through a multi-step process established with the college's current investment advisor. (The March 31,

2012, quarterly report prepared by Robert W. Baird and Company Inc., along with the short-term and long-term investment policies, shall be made available for review.)

In August of 2010 the college restructured its investments in order to invest the maximum amount of funds possible without sacrificing liquidity. Since that time its advisor has invested and reallocated in accordance with the college's updated investment policies, resulting in a total increase in Mount Mary College's endowment of approximately \$1.17 million (12.7%, from \$9,254,890 to \$10,426,505) during the period from August, 16, 2010, to December 31, 2011. Administration expects this upward trend to continue. Despite having made consecutive scholarship drawings every year, the college's endowment now exceeds its pre-2007 level of \$10.2 million (as reported on December 31, 2006).

V. Audits.

Mount Mary College's auditors have identified no findings whatsoever from Fiscal Year 2007 through 2011. There have been a minimal number of control issues identified by the auditors, which have all been addressed by management. Moreover, the college's A-133 reports indicate that Mount Mary College has performed excellently in the administration of the financial aid awards. The college's auditors have made no mention of the restructuring of the School Sisters of Notre Dame Central Pacific Province, therefore, Mount Mary College assumes that they consider this immaterial from an accounting and finance standpoint.

VI. Financial Aid.

Another indication of the financial stability of Mount Mary College is the amount of its scholarship awards. Mount Mary has been able to increase its institutional aid to students throughout recent years despite the challenging economic environment. From Fiscal Year 2007 through Fiscal Year 2012, Mount Mary College's scholarships and discounts increased

from approximately \$4.5 million to \$7.2 million. All of these awards have been funded solely by the college, with no financial input from the School Sisters of Notre Dame Central Pacific Province.

VII. Strategic Investments.

Similarly, Mount Mary College has also been able to fund new and ongoing strategic initiatives from its reserves and from surpluses from operations, without having to rely on borrowing or the School Sisters of Notre Dame Central Pacific Province. In Fiscal Year 2009, the College established a Future Generations Account for the purpose of building reserves to cushion against unexpected circumstances and to fund initiatives. The following table indicates how annual surpluses from operations have been employed in building reserves and funding strategic initiatives.

\$ Surplus	2008	2009	2010	2011	2012
Future Gen. Acct. Balance	0	2,200,000	5,400,000	6,600,000	6,600,000
Strategic Initiative Spending	300,000	600,000	650,000	4,210,000	2,944,382
Working Capital	0	0	0	5,700,000	5,700,000

Mount Mary College continues to invest in its future. Attachment C provides an up-to-date list of strategic initiatives approved by the college’s Board of Trustees on February 24, 2012. The College has already secured two large donations and will continue to solicit funding for many of these projects during its ongoing comprehensive campaign. All of these initiatives could conceivably be carried out without borrowing and certainly could be carried out without assistance from the School Sisters of Notre Dame Central Pacific Province. Presently the College is evaluating its opportunity costs to ascertain whether to borrow or to fund these

initiatives internally. Regardless, Mount Mary College is financially sound enough to pursue these strategic initiatives and remains committed to following through.

VIII. Financial Statement of the School Sisters of Notre Dame Central Pacific Province.

Attachment D, *Special Purpose Combining Financial Statement and Independent Auditors' Report: Entities Merging into the School Sisters of Notre Dame, Central Pacific Province, Inc., June 30, 2011*, is being submitted as a reference that was not previously available at the time of filing the change of control application. This audited statement was generated in February of 2012 for submission to the U.S. Department of Education. The first financial statement issued by the Central Pacific Province, it combines the balance sheets of the four provinces that merged to become this new province and subsequently the new sponsor of Mount Mary College.

In the Independent Auditors' Report dated February 24, 2012, for the unconsolidated financial statements of the related parties, the auditors stated: " In our opinion, except for the effect on the special purpose combining statement of financial position of the matters discussed in the precedent paragraph, the statement of financial position referred to in the first paragraph present fairly, in all material respects, the combining financial position of the entities merging into the School Sisters of Notre Dame Central Pacific Province, inc. as of June 30, 2011, in conformity with U.S. Generally Accepted Accounting Principles."

They also note under *Item 10, Subsequent Events*, that the School Sisters of Notre Dame Central Pacific Province have issued an irrevocable letter of credit to the U.S. Department of Education for approximately \$4.5 million dollars as a result of this merger and change of sponsorship of Mount Mary College. However, no funds have been advanced under the letter of credit; rather, the province has pledged operating investments in an amount equal to the

value of the letter of credit as collateral. The province currently holds over \$105 million in investments--a substantial amount.

Moreover, the province has holdings of land, buildings and equipment of \$56.5 million, and its combined assets total \$168.8 million. In contrast, the Central Province's liabilities—approximately \$15 million—are few in proportion. Its assets outnumber its liabilities by more than 11 to one. Possessing a net worth of \$153.8 million, the Central Province could indeed be described as prosperous. Simply put, the Central Province of the School Sisters of Notre Dame Central Pacific Province' very strong—even enviable—financial position makes it a vital, advantageous sponsor for Mount Mary College.

Summary

While the School Sisters of Notre Dame Central Pacific Province have a significant impact on Mount Mary College in terms of identity, mission and vision, the financing of these two organizations is strictly independent. The restructuring of the School Sisters of Notre Dame Central Pacific Province in July of 2011 marks another development in both institutions' combined, rich history, but has had no impact on the fiscal operations of Mount Mary College.

Part Three: Organizational Impact of Change of Control

Mount Mary College and the School Sisters of Notre Dame Central Pacific Province have worked closely to ensure a seamless transition from sponsorship by the School Sisters of Notre Dame, Milwaukee Province. Both organizations have experienced very little impact as a result of the Change of Control, and both organizations enjoy a positive working relationship after the transaction.

Subsequent to the Change of Control transaction, new members were added to the Corporate Board of Mount Mary College in December 2011. The Corporate Board has oversight of Mount Mary College's Board of Trustees, including responsibility for governance matters, financial decisions, and institutional leadership. Board members each serve a three-year term. Sister Mary Anne Owens, Provincial of the School Sisters of Notre Dame Central Pacific Province, was named President of the Corporate Board. In addition to Sister Mary Anne Owens, members of the Corporate Board include:

- S. Mary Kay Brooks, SSND
- S. Barbara Brumleve, SSND
- S. Joan DiProspere, SSND
- S. Sara Jean Donegan, SSND
- S. Helen Jane Jaeb, SSND
- S. Caroline Jakubowski, SSND
- S. Susan Jordan, SSND
- S. Dianne Perry, SSND

Additionally, in March 2012, three new members joined the Board of Trustees of Mount Mary College. Their addition on the Board of Trustees was not a result of the change of control. The new members are:

- Michael Arnow, Senior Director of Financial Planning for SJA Financial Advisory
- Veronica Gunn, MD, Medical Director of Community Services for Children's Hospital & Health Systems
- Linda Marcus, owner/designer of LMD, Linda Marcus Design.

The relationship that Mount Mary College has developed with the School Sisters of Notre Dame Central Pacific Province is comparable to the relationship the College held with its former sponsor. Though representatives from the Milwaukee Province were frequently

present at the College because of the close proximity of the Province's headquarters, Mount Mary College leadership and the administrative staff of the School Sisters of Notre Dame Central Pacific Province (headquartered in Saint Louis, Missouri) take advantage of frequent electronic communication.

This does not mean that the School Sisters of Notre Dame Central Pacific Province plays a more distant role in the affairs of the College. Sister Mary Anne Owens and two members of the Central Pacific Province were present at the College's annual Founders Day celebration in March 2012 where Sister Mary Anne Owens presented the Heritage Award to recognized employees. Sister Mary Anne Owens also attended the Honors Convocation and presented awards to recognized students. Additionally, one member of the Corporate Board was present at the College's December Commencement ceremony, and we look forward to continued participation in Mount Mary College activities by members of the School Sisters of Notre Dame Central Pacific Province. Mount Mary College has benefitted from shared missions, beliefs, and values with the School Sisters of Notre Dame Central Pacific Province, and members of the School Sisters of Notre Dame Central Pacific Province have demonstrated a commitment to maintaining the values and traditions that are hallmarks of Mount Mary College.

As much as the School Sisters of Notre Dame Central Pacific Province have worked to maintain Mount Mary College's identity and ensure a seamless transition after the change of control transaction, the new, regional focus of our sponsors has introduced Mount Mary College into new networks that link our work to other institutions. For example, Sister Mary Anne Owens and Sister Joan Penzenstadler (Vice President for Mission and Identity, Mount Mary College) are working to develop a relationship between Mount Mary College and Kyoto Notre Dame University in Japan. The School Sisters of Notre Dame Central Pacific Province have maintained their commitment to preserving Mount Mary College's core identity while helping the College advance in the ways that best serve its constituencies.

Part Four: Institutional Statement

This section summarizes the Institutional Statement submitted as a part of Mount Mary College's application to the Higher Learning Commission of the North Central Association of Colleges and Schools for a Change of Control, Structure, or Organization, August 19, 2011. Subsequent to the change of control transaction, there have been no changes to any aspect of the Institutional Statement included in the initial application.

Mission of the Institution

The mission of Mount Mary College before the School Sisters of Notre Dame merger remained the same after the transaction: Mount Mary College, an urban Catholic college for women sponsored by the School Sisters of Notre Dame, provides an environment for the development of the whole person. The College encourages leadership, integrity, and a deep sense of social justice arising from a sensitivity to moral values and Christian principles. Mount Mary commits itself to excellence in teaching and learning with an emphasis on thinking critically. The baccalaureate curriculum integrates the liberal arts with career preparation for women of diverse ages and personal circumstances; the programs at the graduate level provide opportunities for both men and women to enhance their professional excellence.

Educational Programs, Delivery Modes, and Enrollment

The initial application accurately stated that Mount Mary College would continue to offer and support its current academic programs under the sponsorship of the School Sisters of Notre Dame Central Pacific Province.

- The College continues to meet the need of academic programs and provide the resources necessary to enhance the quality and productivity of its programs.

- Programs continue to be aligned with the mission of the College, meet the rigorous standards of higher education, and address the needs of the local and national labor markets.
- The College continues to support programs with existing resources and uses these resources to attract new means to support and augment our educational programs.
- No educational program is delivered entirely in an on-line delivery mode, and there are no current plans to change or expand any of the delivery modes.
- No existing programs have been modified or terminated. We have not experienced any changes in student recruitment or enrollment as a result of the change of control. There have been no changes in the College's student body.
- We continue to project student enrollment using modest estimates of 2 to 3 percent growth from 2013 to 2016.

Strategic Planning

Immediate and long-range strategic planning at Mount Mary College has not changed as a result of the change of control transaction. The strategic planning process is formulated with several guiding principles, and these have not changed as a result of the change of control. Work at the College continues to be guided by the 2011-2016 Strategic Plan, and the contents of the Plan remain closely aligned with the mission of the School Sisters of Notre Dame Central Pacific Province.

Governance and Management Structure

Outside of the new composition of Mount Mary College's Corporate Board, the change of control transaction has not altered the governance or management of Mount Mary College, and the relationship between Mount Mary College and the School Sisters of Notre Dame Central Pacific Province has not differed from the past governance and management

relationship between Mount Mary College and the School Sisters of Notre Dame Milwaukee Province.

Section 2.11 of the Amended and Restated By-Laws of Mount Mary College specify the reserve powers that the Corporate Board holds:

2.11. Powers. The management, control and operation of the affairs and properties of the College are vested in the Corporate Board, though the members of the Corporate Board, in their discretion, may elect to delegate certain responsibilities to the Trustees. Notwithstanding the foregoing, the following powers and responsibilities are reserved exclusively to the Corporate Board, and no attempted exercise of any such power or responsibilities by anyone other than the Corporate Board shall be valid or have any force or effect whatsoever:

- a. To identify the Mission of the College, ensure that it is in harmony with the Mission of the School Sisters of Notre Dame, and to monitor its effectiveness.
- b. To amend, restate or modify the Articles of Incorporation and the Bylaws of the College, upon the recommendation of the Trustees.
- c. To approve any acquisition, purchase, sale, mortgage, lease, transfer or encumbrance of any interest in real property by or capital expenditure for the College that exceeds \$1,000,000, or such other amount that may be established by the Corporate Board from time to time.
- d. To approve the purchase of all lands and buildings for the College and the construction of new buildings and/or major renovations of existing buildings in excess of \$1,000,000.
- e. To approve the acquisition, creation, consolidation, merger or dissolution of the College, or any subsidiary corporation, or the participation of the College in any partnership or joint venture.
- f. To dissolve or terminate the existence of the College and to approve and determine the distribution of all assets upon such dissolution or termination.
- g. To approve aggregate borrowing of the College for any single purpose in excess of \$1,000,000. For purposes of these Bylaws, the term "borrowing" shall mean any commitment for the payment of money pursuant to any contract.

- h. To approve the appointment or removal of the President of the College, upon the recommendation of the Trustees, and to appoint one School Sister of Notre Dame to any nominating or selection committee for the appointment of the President of the College.
- i. To approve the acceptance of any gift made to the College, except for gifts of cash, marketable securities or personal property that do not impose any material conditions on the College in relation to acceptance.
- j. To establish a Board of Trustees for the College and to assess its effectiveness.
- k. To appoint Trustees and to provide for replacement or removal of Trustees.
- l. To assess regularly the effectiveness of Corporate Board members' performance.
- m. To exercise such other powers as may be reserved to the Corporate Board of the College in the Articles of Incorporation, Bylaws and Wisconsin Statutes.

Faculty and Assessment of Student Learning

Mount Mary College continues to have a comparable faculty population after the transaction. All faculty members were retained subsequent to the transaction; no faculty members were terminated as a result of the transaction. No employment agreements or employment documents were updated subsequent to the closing of the transaction. Additionally, Mount Mary College's efforts to assess student learning have not changed as a result of the School Sisters of Notre Dame Central Pacific Province merger, and they have continued subsequent to the transaction.

Eligibility Requirements

1. Jurisdiction of the Commission: *No change*

Mount Mary College will continue to be incorporated in the State of Wisconsin, and the College will continue to have substantial presence in Wisconsin.

2. Legal Status: *No change*

Mount Mary College will be appropriately authorized in the State of Wisconsin to award degrees, offer educational programs, and conduct activities as an institution of higher education.

3. Governing Board: *Change subsequent to initial application*

The composition of the Corporate Board changed as a result of the transaction to reflect the sponsorship of the School Sisters of Notre Dame Central Pacific Province. Part Three of this report details the new membership of Mount Mary College's Corporate Board. Additionally, there are new members of the College's Board of Trustees, as outlined in Part Three, but these new members are not a result of the Change of Control transaction. Mount Mary College will continue to have an independent governing board that possesses and exercises the necessary legal power to establish and review the basic policies that govern the institution.

4. Stability: *No change*

Mount Mary College will continue to demonstrate a history of stable operations and no additional changes of control are expected in the near future.

5. Mission Statement: *No change*

The mission statement for Mount Mary College remained the same subsequent to the transaction.

6. Educational Programs: *No change*

Mount Mary College did not change its educational programs as a result of the merger. The College continues to offer the same educational programs that are appropriate for an institution of higher education. The College continues to provide

the same appropriate proportion of degree-granting programs, and it maintains learning goals for its academic programs and strategies for assessment that are already in place. The minimum requirements for general education for undergraduate programs remains the same, grounded in the same framework developed by the College, adhering to the minimum accepted program length, and continuing to meet federal requirements for credit ascription.

7. Information to the Public: *No change*

Mount Mary College continues to make 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.

8. Financial Capacity: *No change*

Mount Mary College continues to have the financial base to support its operations and sustain them in the future. The College continues to demonstrate a record of responsible fiscal management, including appropriate debt levels. The institution continues to prepare budgets and undergo external financial audits by a certified public accountant or a public audit agency.

9. Administration: *No change*

Mount Mary College retained the same Chief Executive Officer as prior to the transaction, who was appointed by the governing board. The College retained the

same governance and administrative structure that enables it to carry out its operations.

Part Five: Continued Fulfillment of HLC Accreditation Requirements

Five months after the Higher Learning Commission Board of Trustees approved the Change of Control at Mount Mary College, there has been no change in Mount Mary College's continued fulfillment of Higher Learning Commission accreditation requirements from the initial application submitted on August 19, 2011. Each criterion will be identified below, along with an indication of whether the status is the same as in the August report or if there is any additional information to share with the team.

Criterion One: Mission and Integrity

The organization operates with integrity to ensure the fulfillment of its mission through structures and processes that involve the board, administration, faculty, staff, and students.

Core Component 1a: *The organization's mission documents are clear and articulate publicly the organization's commitments.*

No change. The mission of Mount Mary College and its commitments remains unchanged with the Change of Control.

Core Component 1b: *In its mission documents, the organization recognizes the diversity of its learners, other constituencies, and the greater society it serves.*

No change.

Core Component 1c: *Understanding of and support for the mission pervade the organization.*

No change.

Core Component 1d: *The organization's governance and administrative structures promote effective leadership and support collaborative processes that enable the organization to fulfill its mission.*

The membership of the Corporate Board changed as a result of the Change of Control. By having representatives from the School Sisters of Notre Dame Central Pacific Province as members of the Corporate Board, the Central Pacific Province and leadership of Mount Mary College are able to work collaboratively to fulfill the mission of the College.

Core Component 1e: *The organization upholds and protects its integrity.*

No change.

Criterion Two: Preparing for the Future

The organization's allocation of resources and its processes for evaluation and planning demonstrate its capacity to fulfill its mission, improve the quality of its education, and respond to future challenges and opportunities.

Core Component 2a: *The organization realistically prepares for a future shaped by multiple societal and economic trends.*

No change.

Core Component 2b: *The organization's resource base supports its educational programs and its plans for maintaining and strengthening their quality in the future.*

No change.

Core Component 2c: *The organization's ongoing evaluation and assessment processes provide reliable evidence of institutional effectiveness that clearly informs strategies for continuous improvement.*

No change.

Core Component 2d: *All levels of planning align with the organization's mission, thereby enhancing its capacity to fulfill that mission.*

No change.

Criterion Three: Student Learning and Effective Teaching

The organization provides evidence of student learning and teaching effectiveness that demonstrates it is fulfilling its educational mission.

Core Component 3a: *The organization's goals for student learning outcomes are clearly stated for each educational program and make effective assessment possible.*

No change.

Core Component 3b: *The organization values and supports effective teaching.*

No change.

Core Component 3c: *The organization creates effective learning environments.*

No change.

Core Component 3d: *The organization's learning resources support student learning and effective teaching.*

No change.

Criterion Four: Acquisition, Discovery, and Application of Knowledge

The organization promotes a life of learning for its faculty, administration, staff, and students by fostering and supporting inquiry, creativity, practice, and social responsibility in ways consistent with its mission.

Core Component 4a: *The organization demonstrates, through the actions of its board, administrators, students, faculty, and staff, that it values a life of learning.*

No change.

Core Component 4b: *The organization demonstrates that acquisition of a breadth of knowledge and skills and the exercise of intellectual inquiry are integral to its educational programs.*

No change.

Core Component 4c: *The organization assesses the usefulness of its curricula to students who will live and work in a global, diverse, and technological society.*

No change.

Core Component 4d: *The organization provides support to ensure that faculty, students, and staff acquire, discover, and apply knowledge responsibly.*

No change.

Criterion Five: Engagement and Service

As called for by its mission, the organization identifies its constituencies and serves them in ways both value.

Core Component 5a: *The organization learns from the constituencies it serves and analyzes its capacity to support their needs and expectations.*

No change.

Core Component 5b: *The organization has the capacity and the commitment to engage with its identified constituencies and communities.*

No change.

Core Component 5c: *The organization demonstrates its responsiveness to those constituencies that depend on it for service.*

No change.

Core Component 5d: *Internal and external constituencies value the services the organization provides.*

No change.