July 9, 2018

VIA ELECTRONIC MAIL

Dr. Matt Nehring, Acting President
Adams State University
208 Edgemont Blvd.
Alamosa, CO 81101

Dear President Nehring:

This letter is formal notification of action taken by the Higher Learning Commission (HLC) Board of Trustees ("the Board") concerning Adams State University ("the institution"). This action is effective as of the date the Board acted, June 28, 2018. In taking this action, the Board considered materials from the most recent comprehensive evaluation, including, but not limited to: the Assurance Filing the institution submitted, the report from the comprehensive evaluation team, the report of the Institutional Actions Council (IAC) Hearing Committee, and the institutional responses to these reports.

**Summary of the Action:** The Board determined that the institution is no longer out of compliance with the Criteria for Accreditation and removed the institution from Probation. The institution meets Core Components 2.A, 4.B, and 5.A with concerns. The institution is required to submit an Interim Report, as outlined below, no later than June 30, 2020.

**Board Rationale**

The Board based its action on the following findings made with regard to the institution:

The institution has demonstrated that it now meets Criterion Two, Core Component 2.A, “the institution operates with integrity in its financial, academic, personnel, and auxiliary functions; it establishes and follows policies and processes for fair and ethical behavior on the part of its governing board, administration, faculty, and staff,” but with concerns for the following reasons:

- The institution has adopted several new policies, including a policy on overload, that limit the number of credit hours and the number of students one faculty member can teach;
- The institution also has reorganized so that the appropriate academic departments and the Vice President of Academic Affairs provide oversight for the Extended Study courses;
• Both the responsible academic department chair and staff from the Academic Information Technology Center review all Extended Studies courses as they are developed, and mid-semester when they are taught, to ensure they meet expectations regarding instructor interaction with students and address other elements of best practices in pedagogy;
• However, despite evidence of general adherence to the new policies on teaching overload, more time is needed for the Institution to more fully align its practices with the policies.

The institution has demonstrated that it now meets without concerns Criterion Two, Core Component 2.E, “the institution’s policies and procedures call for responsible acquisition, discovery and application of knowledge by its faculty, students and staff,” for the following reasons:

• Results of the Quality Assurance Review and the Course Semester Reviews presented in the institution’s May 15, 2017 report were examined by the team for specific items related to inclusion of student learning outcomes, appropriate assessment of student learning outcomes for the course, and appropriate levels of student-faculty interaction; the team found that the issues cited above were being appropriately addressed in the review processes;
• Consistent with the Institutional Syllabi Policy, the online and face-to-face syllabi reviewed by the team included a statement on academic honesty and integrity;
• The library provides guidance for “writing and citing” to enable students to practice ethical use of information resources; and
• Interviews with administrative and academic leaders confirmed that the policies referenced are known and implemented in an equitable manner.

The institution meets Criterion Four, Core Component 4.B “the institution demonstrates a commitment to educational achievement and improvement through ongoing assessment of student learning,” but with concerns for the following reasons:

• The institution has an active assessment plan and process for department assessment;
• However, work remains to be done for the assessment of General Education.

The institution meets Criterion Five, Core Component 5.A “the institution’s resource base supports its current educational programs and its plans for maintaining and strengthening their quality in the future,” but with concerns for the following reasons:

• The CFI and other financial ratios have declined in the past several years;
• A recalculated CFI worksheet requested by the team indicated a FY 2013 CFI that dropped from the previously reported 1.40 to (0.06). A correct calculation in November 2014 would have triggered a Financial Panel Review because it was below the zone and was a second consecutive year with the CFI in or below the zone;
• The past five fiscal years have shown a CFI range of 1.90 five years ago to 0.48 for the most recently submitted CFI for FY 2016. Correctly calculated, those years would have indicated the institution should “assess debt and Department of Education compliance and remediation Issues” and “consider substantive programmatic adjustments” (Strategic Financial Analysis for Higher Education: Identifying, Measuring & Reporting Financial Risks, Seventh Edition, by KPMG LLP; Prager, Sealy & Co. LLC, p. 87);
• Three of the past five years have shown the CFI in the zone (FY 2016 and FY 2012) or below zone (FY 2013). The referenced CFIs excluded GASB 68 impact; and
• The declines observed in the financial ratios are due in part to declining enrollments and large expenditures to improve the infrastructure.

The institution has demonstrated that it is otherwise in compliance with the Criteria for Accreditation, Assumed Practices, and Federal Compliance requirements.

Next Steps in the HLC Review Process

Interim Report: The Board required that the institution submit an Interim Report no later than June 30, 2020 regarding Core Components 2.A, 4.B, and 5.A. Included in this report should be evidence of the following:

Core Component 2.A
• The institution’s practices fully align with its new policies on teaching overload.

Core Component 4.B
• General education student learning outcomes developed by the General Education Task Force, Pathway Project, aligned with the Adams Outcomes, have been approved by the Faculty Senate and successfully implemented;
• The Pathways Project assessment plan and rubrics for its assessment have been finalized; and
• Completion of a finalized process for academic program reviews.

Core Component 5.A
• The institution’s five-year history of enrollment trends and plans, which should include retention rates;
• Specific steps taken by the institution to address its CFI history and Net Operating Ratio; and
• The institution’s most recent audited financial statements.

Comprehensive Evaluation: The institution has been placed on the Standard Pathway with its next comprehensive evaluation for reaffirmation of accreditation in 2021-22.
HLC Disclosure Obligations

The Board action resulted in changes that will be reflected in the institution’s Statement of Accreditation Status as well as the Institutional Status and Requirements Report. The Statement of Accreditation Status, including the dates of the last and next comprehensive evaluation visits, will be posted to the HLC website.

Information about this action is provided to members of the public and to other constituents in several ways. In accordance with HLC policy,¹ this Action Letter and the enclosed Public Disclosure Notice will be posted to HLC’s website not more than 24 hours after this letter is sent to the institution.

HLC policy² requires that a summary of Board actions be sent to appropriate state and federal agencies and accrediting associations. It also will be published on HLC’s website. The summary will include this HLC action regarding the institution.

On behalf of the Board of Trustees, thank you in advance for your cooperation. If you have questions about any of the information in this letter, please contact your HLC Staff Liaison, Dr. Jeffrey Rosen.

Sincerely,

Barbara Gellman-Danley
President

Enc:  Public Disclosure Notice

Cc:  Chair of the Board of Trustees, Adams State University
     Margaret Doell, Assistant Vice President of Academic Affairs, Adams State University Evaluation Team Chair
     IAC Hearing Committee Chair
     Kim Reed, Executive Director, Colorado Department of Higher Education
     Jeffrey Rosen, Vice President for Accreditation Relations and Director of the Open Pathway, Higher Learning Commission
     Anthea Sweeney, Vice President for Legal and Governmental Affairs, Higher Learning Commission

¹ INST.G.10.010, Management of Commission Information
² COMM.A.10.010, Commission Public Notices and Statements