July 17, 2017

William Jones, President
Bethany College
335 E. Swensson St.
Lindsborg, KS 67456

Dear President Jones:

This letter is formal notification of action taken by the Higher Learning Commission (“HLC” or “the Commission”) Board of Trustees (“the Board”) concerning Bethany College (“the College” or “the institution”). At its meeting on June 29, 2017, the Board voted to remove the sanction of Probation from the College. This action is effective as of the date action was taken. The Board determined that removal of the sanction was warranted based on materials from the College’s most recent comprehensive evaluation including, but not limited to: the Assurance Filing the College submitted; the report from the comprehensive evaluation team, the report of the Institutional Actions Council Hearing Committee; the institution’s responses to these reports; and other materials relevant to the evaluation.

The Board required that the College submit an interim report no later than June 30, 2019, providing evidence of the following:

- The College fully implemented a system of program reviews. The report should summarize the results of the program reviews conducted in the 2017-18 academic year, the lessons learned, and the plans for continued improvement and implementation of systemic program reviews;
- The College implemented an alumni survey or other method for tracking the success of its graduates. The report should detail the method used to track alumni, the initial results, and how the College plans to utilize the information;
- The College developed a systematic process for assessing student learning outcomes at the program level for general education. The report should also discuss how the institution evaluates assessment results to inform action plans for improvements at the program level and at the institutional level for general education;
- The College met its enrollment goals, is continuing to have revenue neutral or revenue positive budgets and has fiscal responsibility in KANRAN debt reduction; and
- The College is on track to achieve the goals for enrollment and revenue identified in its strategic plan.
The Board placed the College on the Standard Pathway and required that it host its next comprehensive evaluation in 2020-21.

The Board based its action on the following findings made in regard to the College:

The College meets Criterion Four, Core Component 4.A, “the institution demonstrates responsibility for the quality of its educational programs,” but with concerns because the College has just begun to institute its program review process with the first three academic programs being reviewed in Spring 2017 and has yet to demonstrate an ability to sustain the process of program review.

The College 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 because while the College has made significant advancements in its assessment of student learning outcomes, it has yet to document a systematic process for assessing student outcomes at the program level and for general education.

The College has demonstrated that it now 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 because:

- While the College’s documented financial progress in the last two out of ten years is significant, its net revenue as of March 2017 included funds released from restriction, which somewhat inflates the College’s true financial standing;
- While the College is making progress to pay off its existing Kansas Revenue Anticipation Notes (KANRAN), which it had utilized to meet short-term obligations, it could only assure representatives of the Institutional Actions Council (IAC) Hearing Committee that should such a loan be needed again, the total amount borrowed in FY2018 would be less than in the past, suggesting continued financial vulnerability; and
- While the College has made progress toward a target CFI of at least 1.5, the current CFI stands at 1.07 based on evidence provided.

The College meets Criterion Three, Core Component 3.C, “the institution has the faculty and staff needed for effective, high-quality programs and student services,” because:

- The College has a sufficient number of full-time faculty based on hiring that occurred after the team visit, supplemented by a commitment to add two full-time faculty members each year for next five years; and
- The College has received official transcripts for all of its adjunct faculty, thus eliminating previous concerns related to a lack of appropriate documentation.

The College meets Criterion Four, Core Component 4.C, “the institution demonstrates a commitment to educational improvement through ongoing attention to retention, persistence, and completion rates in its degree and certificate programs,” because the College has engaged in appropriate benchmarking activity to set attainable goals for
persistence, retention and completion, and has identified first-generation and other at-risk student populations for appropriate intervention.

The College has demonstrated that it now meets without concerns Criterion Five, Core Component 5.B, “the institution’s governance and administrative structures promote effective leadership and support collaborative processes that enable the institution to fulfill its mission,” because:

- The College’s Board of Directors is engaged and demonstrates a strong awareness of College operations and strategic direction in fulfillment of the mission;
- The Board has successfully retained Directors with strong skillsets to enhance its capacity to effectively govern the College;
- Members of the Board of Directors are provided ongoing professional development, which enhances their attention to the College’s finances; and
- The Board’s Finance Committee has increased its activity between full Board meetings, receiving regular monthly College financial reports.

The College has demonstrated that it now meets without concerns Criterion Five, Core Component 5.C, “the institution engages in systematic and integrated planning,” because the College is nearing completion of adopting its FY 2018-22 strategic plan, which includes a five-year financial model demonstrating long-term planning directed at solving the College’s financial challenges.

The College has demonstrated that it is otherwise in compliance with all the Criteria for Accreditation, Assumed Practices, and Federal Compliance requirements and should therefore be removed from Probation, but the College meets some Core Components with concerns in the areas identified above.

At this time, the Commission will reassign the College from its liaison Dr. Anthea Sweeney to Dr. Stephanie Brzuzy. Please be assured that Dr. Sweeney will work with Dr. Brzuzy to ensure a smooth transition.

The Board action resulted in changes to the affiliation of the College. These changes are reflected on the Institutional Status and Requirements Report. Some of the information on that document, such as the dates of the last and next comprehensive evaluation visits, will be posted to the HLC website.

Information is provided to members of the public and to other constituents in several ways. Commission policy INST.G.10.010, Management of Commission Information, anticipates that HLC will release action letters to members of the public. The Commission will do so by posting this action letter to its website. Also, the enclosed Public Disclosure Notice will be posted to HLC’s website not more than 24 hours after this letter is sent to you.

In addition, Commission policy COMM.A.10.010, Commission Public Notices and Statements, requires that HLC prepare a summary of actions to be sent to appropriate state and federal agencies and accrediting associations and published on its website. The summary will include HLC Board action regarding the College.
On behalf of the Board of Trustees, I thank you and your associates for your cooperation. Please contact Dr. Brzuzy if you have questions about any of the information in this letter.

Sincerely,

Barbara Gellman-Danley
President

Enclosure:  Public Disclosure Notice

cc:  Chair of the Board of Trustees, Bethany College
     Robert Carlson, Provost and Dean of the College, Bethany College
     Evaluation team chair
     Institutional Actions Council Hearing Committee chair
     Jacqueline Johnson, Director of Private Postsecondary Education, Kansas State Board of Regents
     Stephanie Brzuzy, Vice President for Accreditation Relations, Higher Learning Commission
     Anthea Sweeney, Vice President for Accreditation Relations, Higher Learning Commission
     Karen Peterson Solinski, Executive Vice President for Legal and Governmental Affairs, Higher Learning Commission