



March 2, 2022

VIA ELECTRONIC MAIL

Regina Favors, Interim President
Arkansas Baptist College
1600 Dr. Martin Luther King Drive
Little Rock, AR 72202-6068

Dear President Favors:

This letter is formal notification of action taken by the Higher Learning Commission (HLC) Board of Trustees (“the Board”) concerning Arkansas Baptist College (“the Institution”). This action is effective as of the date the Board acted, February 25, 2022. In taking this action, the Board considered materials from the most recent comprehensive evaluation, including, but not limited to: the Focused Visit Report the institution submitted, the report from the peer review team, and the institutional response to the report.

Summary of the Action: The Board determined that the Institution is no longer out of compliance with the Criteria for Accreditation, removed the Institution from Probation, reaffirmed the Institution’s accreditation, and assigned interim monitoring. The Institution meets Core Component 5.B with concerns. The Institution is required to submit an Interim Report, as outlined below, no later than September 30, 2023.

Notification Program: HLC policy¹ states that the Institution remains ineligible for the Notification Program for Additional Locations until it has completed ten (10) years in good standing as required for access.

Board Rationale

The Board based its action on the following findings made with regard to the Institution as well as the entire record before the Board:

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

- The Institution has initiated new recruitment and retention programs and expects to meet the FTEP (full-time equivalent paying) student goal for 2022.
- The Institution expects excess revenue of \$4,393,548 for fiscal year 2022, with

¹ INST.E.20.010, Probation.

projections of \$949,916, \$1,555,077, and 1,920,877 for fiscal years 2023, 2024, and 2025, respectively.

- The Institution has hired a new VP for Advancement to institute innovative marketing strategies that resulted in a gain of 262 new students in 2021.
- A new loan management firm hired by the Institution was able to reduce its cohort default rate to 21%, a significant decrease from the 37% previously reported.
- The Institution received notice that its debt of \$30,035,000 had been cancelled, leaving only \$1,548,073 owed to the U.S. Department of Education for past financial aid errors.
- The Institution continues to lack consistent leadership in the roles of President and Chief Financial Officer, two key positions in maintaining long-term financial sustainability.
- The Institution lacks financial monitoring systems that would improve its ability to both engage in rigorous financial oversight and use financial data as part of its efforts to monitor the progress of the strategic plan.

The Institution no longer requires monitoring related to the Federal Compliance Requirements “Assignment of Credits, Program Length and Tuition” and “Public Information,” for the following reasons:

- The Institution reviewed its practices for awarding credit based on each hour of instruction, which put it in line with the federal credit hour definition.
- The Institution posted its updated credit hour policies in the current institutional catalog.
- The Institution provides readily accessible student outcome data on its website.

The Board of Trustees of the Higher Learning Commission has determined based on the preceding findings and evidence in the record that 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 September 30, 2023, regarding Core Component 5.B.

Comprehensive Evaluation: The Institution has been placed on the Standard Pathway with its next comprehensive evaluation for reaffirmation of accreditation in 2025-26.

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.

In accordance with HLC policy,² information about this action is provided to members of the public and to other constituents in several ways. This Action Letter and the enclosed Public Disclosure Notice will be posted to HLC's website not more than one business day after this letter is sent to the Institution. Additionally, a summary of Board actions will be sent to appropriate state and federal agencies and accrediting associations. This summary 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. Thomas Bordenkircher.

Sincerely,



Barbara Gellman-Danley
President

Enc: Public Disclosure Notice

Cc: Chair of the Board of Trustees, Arkansas Baptist College
Shaye Bearden, Chief of Staff and Director for Title III, Arkansas Baptist College
Evaluation Team Chair
Thomas Bordenkircher, Vice President of Accreditation Relations, Higher Learning
Commission
Anthea Sweeney, Vice President of Legal and Regulatory Affairs, Higher Learning
Commission
Maria Markham, Director, Arkansas Division of Higher Education

² COMM.A.10.010, Notice of Accreditation Actions, HLC Public Notices and Public Statements