November 19, 2019

VIA ELECTRONIC MAIL

Dr. David King, President
Malone University
2600 Cleveland Avenue NW
Canton, OH 44709

Dear President King:

This letter is formal notification of action taken by the Higher Learning Commission (HLC) Board of Trustees (“the Board”) concerning Malone University (“the Institution”). This action is effective as of the date the Board acted, November 7, 2019. In taking this action, the Board considered materials from the recent Notice visit, including, but not limited to: the Notice report the Institution submitted, the report from the Notice visit 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 at risk of noncompliance with the Criteria for Accreditation and removed the Institution from Notice. The Institution meets Core Component 5.A with concerns. The Institution is required to submit an embedded report, as outlined below, with its next Assurance Filing.

Board Rationale

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

The Institution meets, but with concerns, 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,” for the following reasons:

- The Institution’s fundraising goals are on target and the campaign balance now exceeds $15 million.
- The Institution is using data to project a reasonable goal for future enrollment.
- The Institution is budgeting conservatively with respect to enrollment targets.
- The Institution’s discount rates continue to fall, with an additional 1% drop in the unfunded student discount rate in fall 2019.
- The Institution’s move to eliminate the football program has saved over $579,000 in direct operational expenses and more than $400,000 in scholarship funds.
- Despite restructuring efforts, cost cutting, and increased enrollments, the Institution’s anticipated balanced budget for 2019-20 includes final enrollment and revenue targets that will not be realized for several months.
The Institution now meets without concerns Criterion Five, Core Component 5.C, “the institution engages in systematic and integrated planning,” for the following reasons:

- The Institution has moved to a multi-year budgeting model as a predictive tool for revenue and as a result is able to provide more reasonable expectations.
- The Institution has implemented a new systematic process for academic program review and planning to yield more accurate cost projections.
- Faculty at the Institution have an active role in institutional planning, for example engaging in an initiative involving discussions and committees called "Faculty of the Future."
- The Institution has identified three priorities, student outcomes, financial health, and distance education – all of which guide the Institution’s comprehensive plan to move forward out of financial distress.
- Data indicates that the Institution’s intentional and planned involvement of the board, faculty, staff and adjunct faculty in the planning process has increased enrollment and retention as well as changed the overall campus culture focused on a sustainable future.

The Institution now meets without concerns Criterion Five, Core Component 5.D, “the institution works systematically to improve its performance,” for the following reasons:

- The Institution completed a comprehensive marketing analysis and created a strategic marketing plan that is aligned with its distinctive academic features, Christian values, and the greatest potential for enrollment.
- The Institution is sharing performance data across campus and such data is being used by various groups at the Institution to strategically align their marketing campaign to increase recruitment and retention.
- The Institution now uses performance data to inform the budgeting process and has refined the process for program review and approval to maximize costs.
- The Institution systematically uses operational data in planning and budgeting.
- The Institution has invested in software and consultants to enhance and support its effectiveness and planning measures, which have resulted in increased enrollment and more accurate enrollment projections.

The Institution has otherwise demonstrated that it is in compliance with the Criteria for Accreditation, Assumed Practices, and Federal Compliance Requirements and is not at risk of noncompliance with the Criteria, and thus, should be removed from Notice.

Next Steps in the HLC Review Process


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, 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 24 hours 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, Malone University
Gregory Miller, Interim Provost, Malone University
Evaluation Team Chair
IAC Hearing Committee Chair
Stephanie McCann, Associate Vice Chancellor, Program Development & Approval, Ohio Department of Higher Education
Thomas Bordenkircher, Vice President for Accreditation Relations, Higher Learning Commission
Anthea Sweeney, Vice President for Legal and Governmental Affairs, Higher Learning Commission

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