



**PUBLIC DISCLOSURE NOTICE**  
**MOUNTAIN STATE UNIVERSITY**

Beckley, West Virginia  
Effective: December 18, 2012

The following public information is provided by the Higher Learning Commission regarding Mountain State University (“the University”) in Beckley, West Virginia, with locations throughout West Virginia and in Washington, D.C., Florida, North Carolina, and Pennsylvania and on-line delivery of some academic programs. This public information is provided to assist all those who are seeking information about the accreditation status of the University. The Higher Learning Commission is the regional accrediting agency that accredits institutions of higher education in the 19 states that constitute its region.

**Final Action Regarding the Accreditation Status of Mountain State University**

On June 28, 2012, the Board of Trustees of the Higher Learning Commission (“the Board”) acted to withdraw accreditation from the University effective August 27, 2012. This action was subject to appeal by the University. On July 18, 2012, the University filed an intent to appeal the Board’s action; in response to the appeal the Board of Trustees continued the University’s accreditation under show-cause until December 31, 2012, when the appellate process would be concluded. The institution has remained accredited during this extension, and the Board anticipated that the University would continue to grant credits and award degrees during this extension.

The Appeals Panel met on December 4, 2012, to hear the appeal. The decision of the Appeals Panel was to sustain the Board’s action. This decision was communicated to the Commission and the institution on December 18. Because the Appeals Panel has sustained the action to withdraw accreditation, the Board’s action is now final and is not subject to further appeal.

The accreditation status of Mountain State University will terminate on December 31, 2012.

**Summary of the Board’s Action to Withdraw Accreditation**

The Board took the action to withdraw accreditation based on its findings that the University had not met the requirements of a Show-Cause Order and action letter dated June 23, 2011. The Board determined that the University had not demonstrated to the satisfaction of the Board that it had ameliorated each of the previous findings of the Board that led the Board to issue the Order nor had the University documented that it fully meets each of the Criteria for Accreditation.

The Board concluded that the University: has not conducted itself with the integrity expected of an accredited institution with regard to ensuring that its students have accurate and timely information about the status of their academic programs and consistent quality across all

academic programs (Criterion One); does not have the human and financial resources expected of an accredited institution (Criterion Two); has not demonstrated that it can plan realistically for the future to anticipate and overcome institutional challenges (Criterion Two); lacks effective governance and administration to provide appropriate oversight over all levels of the institution and to take appropriate action to ensure quality in all its academic programs (Criterion One); and lacks adequate learning support and faculty oversight to assure an effective teaching and learning environment (Criterion Three).

### **Specific Findings of the Board**

The areas of noncompliance with the Criteria for Accreditation identified by the Board in the withdrawal action are summarized below and detailed in the attached document:

- The University does not meet Criterion One, “the institution operates with integrity to ensure the fulfillment of its mission through structures and processes that involve the board, administration, faculty, staff, and students.” In particular, the University lacks administrative structures that promote effective leadership (Core Component 1.d, “the institution’s governance and administrative structures promote effective leadership and support collaborative processes that enable the institution to fulfill its mission”) and also lacks the integrity expected in an accredited institution of higher education (Core Component 1.e, “the institution upholds and protects its integrity”).
- The University does not meet Criterion Two, “the institution’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.” In particular, the University has not planned realistically to address challenges (Core Component 2.a, “the institution realistically prepares for a future shaped by multiple societal and economic trends”); it lacks adequate human and financial resources to fulfill its mission (Core Component 2.b, “the institution’s resource base supports its educational programs and its plans for maintaining and strengthening their quality in the future”); and its evaluation processes do not demonstrate reliable evidence of institutional effectiveness (Core Component 2.c, “the institution’s ongoing evaluation and assessment processes provide reliable evidence of institutional effectiveness that clearly informs strategies for continuous improvement”).
- The University does not meet Criterion Three, “the institution provides evidence of student learning and teaching effectiveness that demonstrates it is fulfilling its educational mission.” In particular, the University lacks sufficient oversight of, and resources to support, its teaching and learning process (Core Component 3.d, “the institution’s learning resources support student learning and effective teaching”).

The attached document provides additional information about the findings of the Board that led to this withdrawal action.

## **Mountain State's Teach Out Plan**

Under Commission policy, an institution that has had its accreditation withdrawn is required to submit a teach-out plan to the Commission for those students who will be completing their academic program in the next year and want to continue their education at an accredited institution. Mountain State University filed a teach-out plan with the Commission and the Commission approved the plan, which included the participation of the University of Charleston, New River Community and Technical College, and West Virginia University Institute of Technology.

## **Accreditation History**

Mountain State University was granted initial accreditation in 1981 and was most recently evaluated for continued accreditation through a comprehensive evaluation in 2008.

In 2010 the National League for Nursing Accrediting Commission ("NLNAC") notified the Commission that it was withdrawing accreditation from the bachelor's degree in nursing at the University after it found non-compliance with its standards in several areas, including insufficiently credentialed faculty and low pass rates on nursing licensure exams at some additional locations. The institution unsuccessfully appealed the NLNAC action, and the action became effective in spring 2011. The Commission also learned that the West Virginia Board of Examiners for Registered Professional Nurses ("the West Virginia Board") had also raised concerns with the program related to issues including its low pass rates on licensure exams at several of its additional locations and had required the program to cease admitting new students.

Commission policy requires that the Commission follow up on any adverse action by a specialized accreditor to determine whether the action indicates any broader problems with the institution's quality. In this case, the president of the Commission called for an advisory visit that ultimately resulted in the Commission issuing a Show-Cause Order to Mountain State University in June 2011. The show-cause team that visited the institution in February 2012 found that the University was not in compliance with the following Core Components: Criterion One, Core Components 1.c, 1.d, and 1.e; Criterion Two, Core Components 2.a, 2.b, 2.c, and 2.d; and Criterion Three, Core Component 3.d.

Also, during the Show-Cause period, the Commission was notified that an application for initial accreditation with a different specialized nursing accrediting agency was denied, that the West Virginia Board of Examiners for Registered Professional Nurses withdrew recognition from nursing programs leading to licensure, and that a specialized accrediting agency placed the University's diagnostic medical sonography program on probation for lack of appropriate resources including insufficiency of clinical placements for students and lack of appropriately credentialed faculty.

On June 28, 2012, the Commission's Board of Trustees reviewed material provided by the University, the show-cause evaluation team's report, the transcript of a hearing conducted earlier by a subcommittee of the Board with institutional representatives, and other materials. The Board withdrew the accreditation of the University for the reasons expressed in this document.

**Comments from Mountain State University**  
as of July 30, 2012

In the case of withdrawal of accreditation, the Commission offers the affected institution an opportunity to include official comments in this Public Disclosure Notice. Mountain State University provided the following comments:

Everyone at Mountain State University (MSU) was surprised and disappointed by the decision of the Higher Learning Commission (HLC) Board of Trustees to withdraw accreditation from MSU effective 8/27/12. Because the University has been on Show Cause since July 2011, we recognized that this was a possibility. However, the MSU Board of Trustees, as well as the faculty, staff and students all believed, and still believe, that the University has taken the steps necessary to address all of the concerns raised by the HLC in ways that will bring us into compliance with each of the Criteria for Accreditation. Many of the major changes we made have been in place for a limited amount of time, and some will take more time to fully ameliorate the concerns that prompted them. But collectively, these changes do address all of the HLC's concerns as stated in their Show Cause letter of July 2011. For this reason, on behalf of our students, faculty and staff, MSU will appeal HLC's decision through the prescribed appeals process. The decision to withdraw accreditation does not recognize the monumental changes that have occurred at MSU, and we are hopeful that through the appeal we will be able to demonstrate that these changes have made the institution worthy of continued accreditation.

December 19, 2012

**DETAILED FINDINGS OF THE BOARD  
LEADING TO WITHDRAWAL OF ACCREDITATION  
Mountain State University**

The Board concluded that Mountain State University has not conducted itself with the integrity expected of an accredited institution with regard to ensuring that its students have accurate and timely information about the status of their academic programs and consistent quality across all academic programs (Criterion One); does not have the human and financial resources expected of an accredited institution (Criterion Two); has not demonstrated that it can plan realistically for the future to anticipate and overcome institutional challenges (Criterion Two); lacks effective governance and administration to provide appropriate oversight over all levels of the institution and to take appropriate action to ensure quality in all its academic programs (Criterion One); and lacks adequate learning support and faculty oversight to assure an effective teaching and learning environment (Criterion Three).

1. The University does not meet Criterion One, “the institution operates with integrity to ensure the fulfillment of its mission through structures and processes that involve the board, administration, faculty, staff, and students.” In particular, the University lacks administrative structures that promote effective leadership (Core Component 1.d, “the institution’s governance and administrative structures promote effective leadership and support collaborative processes that enable the institution to fulfill its mission”) and also lacks the integrity expected in an accredited institution of higher education (Core Component 1.e, “the institution upholds and protects its integrity”) for the following reasons:
  - a. the University has had a culture focused on high enrollment growth, as it has acknowledged. Only within this past year, following adverse actions by three agencies (the National League for Nursing Accreditation Commission, the West Virginia Board of Examiners for Registered Professional Nurses, and the Commission on Collegiate Nursing Education) against its undergraduate nursing program and the Commission’s Show-Cause Order, has it taken action to focus more specifically on program quality and oversight of all its programs, but these actions are incomplete and their effects are uncertain. The University is also in the process of developing a new mission statement, but members of the University community did not express to the Commission’s evaluation team, during its on-site visit, clear support for, or understanding of, the institution’s mission or role as required by this Criterion (Core Component 1.c);
  - b. the University has not demonstrated that it is functioning with a stable and effective system of shared governance involving all levels of the University as required by this Criterion (Core Component 1.d):
    - i. the University has a long history of control of the University by a small group of administrators including and surrounding the former president, lack of shared governance, and lack of oversight by the University’s Board of Trustees of serious problems at the University such as the recent loss of accreditation by the

- National League for Nursing Accrediting Commission and of recognition by the West Virginia Board of Examiners for Registered Professional Nurses;
- ii. although the University's Board of Trustees fired the former president and has recently worked to improve its oversight of the University and its own systems of evaluation, these systems are not sufficiently established to demonstrate ongoing effectiveness; and
  - iii. the visiting team found in interviews with faculty, staff and students during its on-site visit that University efforts to improve leadership and shared governance were in early stages, faculty were not yet actively engaged in a robust shared governance system, and campus constituencies were distrustful of the new shared governance processes and uncertain about their role.
- c. the University has not demonstrated that it is functioning with a stable and effective administrative structure as required by this Criterion (Core Component 1.d):
- i. University administrators were responsible for insufficient quality in the undergraduate nursing program as indicated by the issues identified by NLNAC and the West Virginia Board of Examiners for Registered Professional Nurses in their actions to remove accreditation and recognition, respectively; failed to take appropriate remedial action to avert the loss of recognition once they were warned about the issues by these agencies; and were ultimately forced to close undergraduate nursing programs;
  - ii. University administrators have recently been informed by another specialized accrediting agency, the Commission on Accreditation of Allied Health Education Programs, about imposition of probation for the diagnostic medical sonography program because of serious quality issues identified by that accreditor, and it is unclear what remedial actions University administrators are taking to avert the loss of accreditation of this program;
  - iii. University administrators have not taken effective steps to ensure that programs offered at the main campus, additional locations, by distance delivery, and as dual credit are of consistent rigor or have consistent resources or support, including appropriately licensed clinical faculty where needed;
  - iv. University administrators failed over an extended period of time to provide accurate and complete information to nursing students about the loss of accreditation by NLNAC and the loss of recognition by the West Virginia Board of Examiners for Registered Professional Nurses; during the Commission's recent site visit students continued to lack accurate information about the closure of the undergraduate nursing program and the consequences for individual nursing students;
  - v. several University administrators lack credentials and previous employment experience consistent with their job titles and responsibilities;
  - vi. although some University administrators have recently been replaced, most of the administrators responsible for overseeing the quality of the University prior to and during the loss of accreditation by NLNAC and recognition by the West Virginia Board of Examiners for Registered Professional Nurses remain in their positions;
  - vii. while the administration has recently implemented systems to evaluate its processes regularly, these systems are not sufficiently established to have been able to demonstrate ongoing effectiveness;

- viii. University administrators failed to create and maintain adequate systems of monitoring student progress in their programs of study, making it difficult to determine which students would be negatively affected by the loss of nursing program accreditation and resulting in significant confusion and negative academic ramifications for students in the nursing program; and,
  - ix. University administrators failed to create and maintain adequate systems providing comprehensive enrollment information that would assist the University in making informed decisions about where additional instructional capacity and resources were needed.
- d. the University has not demonstrated that it has practices to ensure that it upholds its integrity as required by this Criterion (Core Component 1.e):
- i. the University failed to inform students accurately about its loss of nursing accreditation with NLNAC and then about the status of the University's application for accreditation by another nursing accreditor, the Commission on Collegiate Nursing Education (CCNE);
  - ii. while the University later attempted to remedy its earlier communication errors, the team noted, at the time of its visit, that students in the program continued to receive inaccurate or incomplete information, and students were making decisions in reliance on the earlier inaccurate or incomplete information;
  - iii. programs offered at the main campus, additional locations, by distance delivery or independent study, and as dual credit do not provide a consistent educational experience for students because the programs are not of consistent academic rigor or do not have consistent resources or support;
  - iv. while the Houston, Texas City Attorney has recently brought to the University's attention the apparent over-awarding of prior learning credit to Houston police officers that does not appear to be consistent with University policy, the University has not acted to investigate or take corrective action; and
  - v. the University had an independent study program that lacked academic integrity because the program had no grade point average requirement or other academic standards required for enrollment in the program; the University did not monitor the students' academic progress when they were in the program; and courses were taught inconsistently and without appropriate oversight. While the University may have made changes in the program to address these issues, such changes have not been verified by the Commission, and it remains unclear whether the University is now exercising appropriate oversight or whether the program has consistent rigor with other University programs, as noted above.
2. The University does not meet Criterion Two, "the institution'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." In particular, the University has not planned realistically to address challenges (Core Component 2.a, "the institution realistically prepares for a future shaped by multiple societal and economic trends"); it lacks adequate resources to fulfill its mission (Core Component 2.b, "the institution's resource base supports its educational programs and its plans for maintaining and strengthening their quality in the future"); and its evaluation processes do not demonstrate reliable evidence of institutional effectiveness (Core

Component 2.c, “the institution’s ongoing evaluation and assessment processes provide reliable evidence of institutional effectiveness that clearly informs strategies for continuous improvement”), for the following reasons:

- a. the University failed to plan realistically for the future as required by this Criterion (Core Component 2.a);
  - i. the University did not alert and involve constituencies in responding with appropriate and realistic planning to address problems in the nursing program when it was first placed on sanction;
  - ii. while the University has demonstrated recent improvements in communication, it has not demonstrated a stable pattern of informing all constituencies at the University about challenges and involving them in appropriate contingency planning;
  - iii. the University does not yet have realistic plans for the financial and academic future of the University that are scaled for the loss of undergraduate nursing programs, the possible loss of diagnostic medical sonography programs, and declining enrollments of students in other programs;
  - iv. the University was unable to provide a consistent headcount of nursing students or provide certain credit-hour calculations during the visit of the Commission’s team, indicating that the University has not yet planned for or prepared internal data systems to provide reliable and timely information to University staff or external reviewers; and
  - v. the University remains on provisional certification from the U.S. Department of Education because it has not demonstrated to the satisfaction of the Department that it is able to monitor the academic progress of students to satisfy federal Satisfactory Academic Progress requirements.
- b. the University’s resource base does not demonstrate stable support for the University to fulfill its mission as required by this Criterion (Core Component 2.b):
  - i. the University has \$16.5 million in long-term debt and overall debt of \$27 million;
  - ii. the University has failed to meet various debt covenants because of the large amount of debt taken on by the University that was classified as short-term (shopping mall purchase and residence hall financing) and failure to maintain debt service coverage ratios of at least 125%;
  - iii. the University has a promissory note of \$9.7 million due on July 15, 2013 for which the bank is holding \$10.8 million in cash as security because the residence hall that was recently built was deemed of insufficient value as collateral for the note;
  - iv. the University’s bond rating has been lowered from Baa stable to Baa negative, reflecting its current financial instability;
  - v. the University remains on provisional certification from the U.S. Department of Education until it demonstrates that it has satisfied Satisfactory Academic Progress requirements;
  - vi. the University is a defendant in several lawsuits related to its handling of the nursing program that will result in significant legal expenses for the University and possible judgments or settlement costs;

- vii. while the University does have assets and audits without recent findings, the pattern of short-term and long-term debt, declining revenue and enrollment, academic programs that have lost accreditation or are at risk for such loss, and legal exposure places the institution's financial future at great risk;
  - viii. academic programs offered at the main campus, additional locations, by distance delivery or independent study, and as dual credit have not been supported by resources of consistent quality; and
  - ix. the University fails to have sufficient faculty members to carry out the administrative roles of faculty such as assessment and program review or to provide sufficient support for students (see Criterion Three), and, while the University plans to hire more faculty in the future, they have not yet been hired or deployed to demonstrate that these roles are being appropriately handled.
- c. the University's assessment and evaluation processes did not properly identify and remedy quality issues in the undergraduate nursing program or diagnostic medical sonography program as required by this Criterion, and, while the University has worked to improve its assessment and evaluation processes in various departments, the University has not documented that it has processes that will result in continuous improvement across the University ensuring that the University maintains high-quality programs in every department (Core Component 2.c).
3. The University does not meet Criterion Three, "the institution provides evidence of student learning and teaching effectiveness that demonstrates it is fulfilling its educational mission." In particular, the University lacks sufficient oversight of, and resources to support, its teaching and learning process (Core Component 3.d, "the institution's learning resources support student learning and effective teaching"):
- a. the University has not demonstrated that it is providing adequate learning support for students:
    - i. until recently, the University had a high full-time faculty teaching load of 15 credit hours per semester, resulting in faculty members lacking sufficient time to support students;
    - ii. while the University has reduced its full-time faculty load from 15 to 12 credit hours and plans to hire additional faculty members over the next few years to teach hours no longer being provided by current full-time faculty, these actions will not begin to be implemented until July 2012, and it is not clear how or when the reduced load and the new faculty hires will be effective in ensuring that students have appropriate faculty support during and outside of class;
    - iii. the University has not demonstrated that it has processes to assure effective teaching and learning across the institution, and new processes for faculty governance intended to monitor and assure effective teaching and learning have not yet been sufficiently integrated into the University to demonstrate success;
    - iv. programs offered at the main campus, additional locations, by distance delivery and independent study, and as dual credit are not of consistent rigor and do not have consistent resources or support;
    - v. the University has acknowledged that it has not sufficiently supported student learning, as evidenced by its low graduation and retention rates. These are: a graduation rate of 8% (as currently reported by the National Center for Education

Statistics in its College Navigator tool) for first-time full-time freshman; and retention rates of 48% for first-time full-time students and 30% for first-time part-time students. The University indicates that these students constitute only 5% of its enrollment, though the College Navigator reports that 28% of the University's entering students were counted as first-time, full-time students in 2010. Nevertheless, these rates are below many of its peer institutions and, while the University has set in motion initiatives that may improve these rates, it has not demonstrated that these initiatives are, in fact, improving retention and graduation for these students.