

UNC HLC Procedure for Contractual Arrangements

November 2023

Purpose

The HLC defines a contractual arrangement as the outsourcing of some portion of a degree or certificate program to an unaccredited institution, accredited institution whose accrediting body is not recognized by the U.S. Department of Education, or a corporation or other entity. Contractual arrangements that outsource 25% more of an academic program require prior approval from the HLC. Notification to the HLC is required for any contractual arrangement involving the outsourcing of less than 25% of an academic program.

Outsourced activities that meet the HLC definition of a contractual arrangement include the following:

- Establishing admissions requirements and recruiting students;
- Establishing program requirements;
- Curriculum development;
- Providing instructors and determining instructor qualifications;
- Assessment of student learning and program evaluation;
- Academic student support services such as tutoring and advising; and/or
- Other services related to the design, administration, or instruction of the program.

The following types of contracts or agreements do not require HLC oversight:

- Contracts for goods and services (e.g., food services, parking, etc.);
- Provision of books, supplies, equipment, or technology that support an academic program;
- Credit transfers;
- Consortial arrangements with other accredited institutions supporting academic programs; and/or
- Articulation agreements.

Procedure

Only Deans may initiate a substantive change proposal for a contractual arrangement. UNC may not execute a substantive change contract until it has received HLC approval. The HLC must complete its review process within 90 days of receipt of the change application. This procedure outlines UNC's internal approval process for contractual arrangements.

1. An academic unit considering a contractual arrangement should consult with the College Dean to discuss the projected costs and benefits of outsourcing a portion of an academic program.
2. With the Dean's approval to proceed, the academic unit leader and Dean should meet with the HLC Accreditation Liaison Officer (ALO) to determine whether the proposed arrangement will require HLC notification or prior approval. For contracts requiring prior HLC approval, the HLC ALO will provide the academic unit leader and Dean a copy of the HLC Contractual Arrangement Application and information about which sections should be completed.

3. The Contractual Arrangement Application should be submitted to the Substantive Change Committee, who will determine whether the proposal should proceed and provide written notification of its decision. The committee will review and make one of the following determinations:
 - a. Approve (proceed to step 4);
 - b. Return for revision and resubmission (feedback will be provided on necessary revisions); or
 - c. Do not advance proposal (this decision may be appealed to the Provost).

If approved to proceed, the committee will provide information about any other internal or external approvals required by the university and/or the HLC.

4. Upon approval from the Substantive Change Committee, proceed using UNC's existing [contracts process](#).
5. Acquire any necessary approvals as per the Substantive Change Committee's determination.
6. Contact the HLC ALO to complete the remaining sections of the HLC application.
7. The HLC ALO will submit the HLC application on behalf of the university.