



Forming leaders engaged in learning, faith, justice and service for life.

An Update From President Christopher Puto on Accreditation

December 6, 2016

Dear Members of the Spring Hill College Community:

At the annual meeting of the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) on Dec. 6, 2016, its Board of Trustees conducted a general session reporting on recent accreditation and reaffirmation actions for various member institutions, including the recent probationary action for Spring Hill College. Although we are awaiting the final written report of the SACSCOC Special Committee and Board of Trustees, which will not be available for some time, we wanted to share news from this most recent SACSCOC Board meeting with you.

As background, SACSCOC serves as the recognized regional accrediting body in the eleven U.S. Southern states (Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas and Virginia) and in Latin America. At its meeting on June 16, 2016, the school was placed on probation for a period of six months for non-compliance with Comprehensive Standard 3.10.1 of *The Principles of Accreditation* (maintaining a recent history of financial stability).

At this most recent meeting on Dec. 6, 2016, the SACSCOC Board noted the following actions with regard to Spring Hill College:

- The college has continued accreditation for good cause;
- The college has continued accreditation on probation for 12 months due to failure to demonstrate compliance with Comprehensive Standard 3.10.1 of *The Principles of Accreditation* (maintaining a recent history of financial stability);
- The college was denied reaffirmation. (Reaffirmation is the process by which renewal of an organization's accreditation is granted; reaffirmation signifies complete compliance with the core requirements and comprehensive standards found in *The Principles of Accreditation*. At the time of reaffirmation, accreditation is granted for a period of up to 10 years.)

It is important for all members of our community to note that Spring Hill College has complied with all Core Requirements and all but one of more than 50 Comprehensive Standards set forth by SACSCOC in *The Principles of Accreditation*. The extension of our accreditation for good cause demonstrates that we are on the right path as an institution. Per the SACSCOC disclosure statement provided to Spring Hill College, the SACSCOC Board of Trustees may extend accreditation for good cause if "...(1) the institution has demonstrated significant recent accomplishments in addressing non-compliance, and (2) the institution has provided evidence which makes it reasonable for the Board to assume it will remedy all deficiencies within a 12-month period, and (3) the institution has provided assurance to the Board that it is not aware of any other reasons, other than those identified by the Board, why the institution cannot be continued for good cause." At the end of our 12-month probationary time period, the college will undergo another review by a SACSCOC Special Committee. Our request for reaffirmation will be considered at that time.

This action in no way indicates a deficiency or noncompliance with educational requirements and standards for accreditation. The quality of the educational experience provided at Spring Hill College remains unquestioned – we are, and continue to be, fully accredited, offering students an inimitable educational opportunity to become leaders engaged in learning, faith, justice and service.

Institutions of all sizes, particularly smaller private schools such as ours, have faced similar challenges in the wake of the economic crisis that led to the Great Recession of the late 2000s and the BP Deepwater Horizon oil spill disaster that profoundly affected our region. As a result, the college experienced two consecutive extremely small first-year cohorts that reduced our unrestricted income significantly for five consecutive years. Extraordinary circumstances such as these called for extraordinary measures. To assure that our mission was not impaired, our Board of Trustees elected to use reserves to fund the difference between temporarily reduced revenues from smaller incoming classes in 2011 and 2012 and mission critical expenses.

Our efforts to recover from these events and create a healthy and sustaining financial future have continued and are tremendous.

- The college has recruited a series of consecutive near record, first-year and transfer cohorts over the past four years.
- We have increased revenue streams, and expenses have been contained without impairing our ability to carry out our mission.
- \$27 million in high-interest debt has been retired.
- Interest on capital debt has been reduced by \$1 million annually through debt repayment and refinancing.

It is important to note that the Trustees of SACSCOC are interested in seeing the college demonstrate a *history* of financial stability. Our continued success with our enrollment and the implementation of our strategic plan will allow Spring Hill to demonstrate a longer and sustained history of financial stability.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris P. Puto". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Christopher P. Puto, PhD
President