

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Academic Affairs

NO.: AAC 15-09

COMMITTEE DATE: October 14, 2014

BOARD DATE: October 21, 2014

PETITION OF NORTHEAST MARITIME INSTITUTE, INC. TO AWARD THE ASSOCIATE IN APPLIED SCIENCE IN NAUTICAL SCIENCE

MOVED: The Board of Higher Education hereby conditionally approves the Articles of Amendment of **Northeast Maritime Institute, Inc.** to offer the **Associate in Applied Science in Nautical Science**, provided that the Board of Higher Education undertake to review, during the next year, the continued progress of the institution toward meeting the goals set forth in connection with its petition to the Board of Higher Education and subject to its compliance with the following stipulations:

1. The DHE will commission an external committee review of the continued progress of NMI towards meeting all standards of the 610 CMR 2.10. This report shall be completed by June 30, 2015.
2. The institution shall post on its website a notice regarding the conditional nature of the Board of Higher Education's approval of the institution's degree granting authority; the exact language of the notice is to be determined by Department staff after consultation with the institution.
3. The institution shall enroll a relatively small cohort of no more than 11 students in January 2015.

Provided further that if the College does not show significant measurable progress toward meeting the goals set forth in connection with its petition to the Board of Higher Education and its compliance with the above referenced stipulations, the Board of Higher Education will take appropriate steps to withdraw the College's authority to grant degrees, consistent with 610 CMR 2.10.

Authority: Massachusetts General Laws c. 69, § 30 et seq., c. 15A, § 6

Contact: Carlos Santiago, Ph.D., Senior Deputy Commissioner of Academic Affairs

BOARD OF HIGHER EDUCATION

October 2014

Northeast Maritime Institute, Inc. Associate in Applied Science in Nautical Science

OVERVIEW

Northeast Maritime Institute (NMI), located in Fairhaven, Massachusetts is a private, for-profit, post-secondary education institution offering occupational training for maritime careers. NMI has submitted a proposal to offer its first degree program, an Associate in Applied Science in Nautical Science. Originally established in New Bedford in 1981, NMI is licensed by the Massachusetts Department of Professional Licensure as an occupational school. If approved by the Board of Higher of Education (BHE), the institution would become a college. The Institute plans to seek approval through the New England Association of Schools and Colleges (NEASC), if approved by the Board of Higher Education. The Institute is currently not accredited.

The institution's non-college level training programs are approved by the United States Coast Guard for applicable licensures and endorsements, such as a U.S. Coast Guard limited tonnage license and certification for Standards of Training Certification and Watch Keeping (STCW) competencies. STCW requirements are international standards required for mariners for certain positions. Current students also have the option of applying for licenses via the Dominica Mariner Registry, Inc (DMRI), a Delaware corporation and subsidiary company of NMI with 50% ownership by NMI and 50% by Eric R. Dawicki, NMI's President. DMRI is contracted with the Government of the Commonwealth of Dominica to manage its International Ship Registry for the Commonwealth of Dominica and Maritime Administration regulatory framework and also provides licensures to mariners. NMI is also currently approved to utilize GI Bill funds for its non-college level courses.

The institution's Board of Trustees approved the proposed program on December 21, 2010. The application was received by the Department of Higher Education (DHE) on July 27, 2011. The first versions of the institution's proposal were incomplete and the institution was required to resubmit the application several times. The application was deemed complete on June 18, 2013.

EXTERNAL REVIEW AND INSTITUITONAL RESPONSE

The proposed program was reviewed November 13-16, 2013 by a visiting committee comprised of members Capt. Ernest Fink, Dean, Maritime Education & Training, SUNY Maritime College; John Barlow, Ph.D., Vice President of Academic Affairs and Provost, Maine Maritime Academy ; Wayne Burton, Ph.D. , Emeritus President, North Shore Community College; Andrew Soll, Vice President, Finance & Facilities, Salem State University and Deborah J. Hirsch, Ed.D., Vice President for Development and Director of External Relations, Mount Ida College. A Department of Higher Education representative was also present during the site visit. The Department, in consultation with the institution, selected the Visiting Committee. The institution requested Capt. Fink's participation on the Visiting Committee. He served as the Chair.

The Visiting Committee studied all materials submitted by the institution, visited facilities, administrative offices, classrooms, labs and library. Additional information was obtained from direct communication with the NMI administration, faculty, staff, and students including: President & Chief Academic Officer, Chief Financial Officer, members of the Board of Trustees, Director of the Nautical Science Program, Department Head – General Education, Director of Continuing Education, Director of Information Resources/Student Services, Director of Admissions/Registrar, a number of full-time and adjunct faculty and Maintenance Engineer.

The Visiting Committee assessed the institution's compliance with the 610 CMR 2.07 and its overall character and fitness to offer the degree requested. The institution was assessed based upon the review criteria found in the 610 CMR 2:07(3). These criteria are referred to as standards for ease of analysis.

In its written report submitted to the Department, the Visiting Committee applauded the Institute's efforts to launch an associate degree program, however, it found that NMI had not provided sufficient evidence of compliance with the majority of the criteria contained in the 610 CMR 2.07 to be approved by the Board of Higher Education to offer the AAS degree in Nautical Science. The Visiting Committee urged NMI to work with the Department to develop their knowledge and higher education expertise to eventually achieve compliance with the 610 CMR 2.07 standards.

Department staff forwarded the Visiting Committee's response to the institution on December 24, 2013 for their response. The Department received the institution's response to the Visiting Committee on January 22, 2014. Differences of opinion between the Visiting Committee's perspective and that of the institution emerged regarding whether the institution met minimal standards. DHE staff concurred with the Visiting Committee assessment and provided NMI with a detailed list of areas where changes were necessary to meet the standards of 610 CMR. It should be noted that the required public hearing was held on March 27, 2014 at the Department of Higher Education, located at One Ashburton Place in Boston, Massachusetts.

ASSESSMENT OF RESPONSE TO VISITING COMMITTEE CONCERNS

The Visiting Committee made a number of recommendations that needed to be addressed by the institution. In order of significance, the areas of concern are (i) Standard 2: Organization and Governance, (ii) Standard 6: Financial Resources, (iii) Standard 1: Mission, Planning and Evaluation, (iv) Standard 3: Programs and Instruction and (v) Standard 4: Faculty. It is worth noting that the lack of compliance with Standard 2: Organization and Governance adversely impacts all areas of the proposal.

In light of these deficiencies, NMI began addressing each area of concern and worked with DHE staff to comply with the provisions of the 610 CMR. Updated documentation of the institutional response to the mentioned deficiencies was provided to DHE on August 15, 2014. Department staff has reviewed the updated documentation and has been working with NMI to ensure compliance. DHE staff now has confidence that NMI has addressed the majority of the deficiencies and its recommendation to the Board of Higher Education is based largely on the new materials that were submitted.

The most salient concerns that emerged and have been partially addressed in the August 15, 2014 submission are summarized as follows¹:

Concern Regarding Independence of Board, Administration, and Faculty

- The institution has not shown that its organization and governance structure “ensures the appropriate separation and independence of board, administration and faculty”. Section 610 CMR 2.07(3)(b)(4). The overlapping of the institution’s Board and senior administration does not allow for the institution’s Board to effectively approve policies, evaluate the CEO or otherwise direct the institution. The current structure provides no checks and balances. Section 610 CMR 2.07(3)(b (Standard 2)

Major progress has been made in this regard through the adoption of a new set of institutional bylaws. Two major changes include separating the role of president from that of chairman of the board and adding a new chief academic officer to the leadership team. The chief financial officer and the Treasurer are now two distinct positions and the former can no longer serve as chair of the board’s Finance Committee. While these changes provide evidence of greater independence of board, administration, and faculty, areas of concern remain. For example, while a new board chair is a welcome addition, in the absence of the chair (who lives out of state), board meetings are still chaired by the President and CEO. Likewise, the CFO (a senior administrative officer) remains a voting member of the board.

The addition of a Chief Academic Officer (a role previously undertaken by the President) represents a significant and welcome change to the management team. The new CAO is overseeing a newly established Curriculum Committee. There is some reference to a University Senate—while little detail is available at this time, this does represent a major enhancement of the governance process once it is constituted.

The need for governance changes were a major focus of the review team as well as DHE staff. We believe that NMI is moving in the right direction in allowing for more separation between the board and those responsible for managing the day to day operations of the campus as well as allowing for greater faculty voice in curricular and programmatic issues.

Concern Regarding Financial Stability

- The institution has not shown that it is financially stable and sustainable, 610 CMR 2.07(3)(f). (Standard Six)

The separation of the position of CFO from that of Treasurer indicates recognition that financial checks and balances are necessary to ensure financial accountability and stability. However, more information is necessary here as the external audit needs to be updated. This is an area where more time should be given to the institution to provide the necessary documentation to show compliance with 610 CMR 2.07(3)(f). The institution has provided projected budgets for 20015-2018. The budgets reflect both financial stability and sustainability for the Division of Higher Education but the updated

¹ The attachment to the motion consists of the correspondence from NMI that indicates where each outstanding issue is addressed in the documentation submitted on August 15, 2014.

audit will potentially provide additional support for this assertion. Enrollments are anticipated to be modest, from a minimum of 8-11 students for each of the first four years of operation.

Concern Regarding Stakeholder Involvement

- The institution has not shown evidence that its long term plans or current proposal reflects broad stakeholder involvement. 610 CMR 2.07(3)(a) (Standard 1)

The restructuring of the board following the newly adopted bylaws and the creation of campus committees that allow for faculty input provide an indication of greater stakeholder involvement. With continued assessment over time it can be determined whether these new structures truly allow for greater stakeholder involvement.

Concern Regarding Content of Academic Offerings

- As a degree-granting institution, the expectation is that the course content include more than basic training for licensure. The institution has not shown that the academic content of the degree represents college-level expectations. 610 CMR 2.07(3)(c) (Standard 3).

The initial concern was that the curriculum was heavily focused on nautical science and the general education requirements of an Associate degree program were not fully addressed. The new CAO has followed the requirements of the MassTransfer bloc and has recruited faculty to deliver a curriculum that meets the requirements for a general education curriculum.

Concern Regarding Faculty Credentials

- The institution has not shown that it has an appropriately qualified faculty in sufficient number to meet all requirements of the institution's courses of study. Section 610 CMR 2.07(3)(d). Many of the institution's proposed faculty either do not have college degrees or have no experience teaching at the college level. The institution has not provided adequate documentation to support its claim that faculty are qualified through equivalent experience. 610 CMR 2.07(3)(d) (Standard 4).

The primary challenge for NMI has been to identify faculty with the appropriate credentials that can effectively execute a general education curriculum to support the faculty already engaged in nautical science training. The recent information provided by NMI suggests that they have identified qualified faculty to cover these instructional duties. The strength of NMI has been in the expertise of faculty in the area of nautical sciences and the addition of a number of faculty that have the qualifications to contribute to the general education curriculum represents a marked improvement over past practice. While many of these new instructors appear to be part-time, they seem to be providing similar services to surrounding community colleges and other higher education institutions.

RECOMMENDATION

The fundamental question at this juncture is whether the positive changes that NMI has made over the last few months are sufficient so that the BHE will have confidence that the institutions is abiding by the provisions of the 610 CMR. While the current materials represent a vast improvement over the earlier materials and there is evidence that the institution is moving in the right direction, it is also clear that the work ahead remains significant. NMI seems to better understand the key elements that are necessary to sustain a successfully academic enterprise.

Staff recommend that the Board of Higher Education conditionally approve NMI's application to allow the Northeast Maritime Institute to admit no more than 11 students to its Associate in Applied Science in Nautical Science program. We would also ask NMI to focus its efforts on providing an updated set of documents that address areas highlighted in the past external reviewer's report that have not yet been fully addressed. Staff will continue to work with NMI to review compliance with 610 CMR 2.07. Since DHE staff acknowledges that the institution will not be able to immediately address all of the outstanding issues raised over the last few months, another external review should be conducted in late spring 2015.

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ADMITTED TO PRACTICE
*MASSACHUSETTS
°DISTRICT OF COLUMBIA
-RHODE ISLAND
#FLORIDA

August 14, 2014

Dr. Carlos Santiago
Senior Deputy Commissioner for Academic Affairs
One Ashburton Place, Room 1401
Boston, MA 02108

Dear Dr. Santiago:

I am writing you in regards to the Northeast Maritime Institute's (NMI) application for approval to offer an Associates Degree in Applied Nautical Science. NMI submitted an application in November 2013.

In the Department of Higher Education's (DHE) review of the November application, Ms. Shelley Tinkham, Assistant Commissioner for Academic, P-16 and Veterans Policy and the Visiting Committee identified various areas that must be improved upon before approval can be granted. NMI obtained my legal services to ensure compliance with both DHE's report and all applicable regulations, including the DHE's 610 CMR 2.07 and the Massachusetts Attorney General's 940 CMR 31.00.

Enclosed is a CD that contains amended application documents. NMI has taken steps internally to address DHE's feedback and recommendations, including hiring a full time Chief Academic Officer. Among the documents and policies amended are:

- Standard One: Mission, Planning, and Evaluation
 - Amended Bylaws to reflect
 - The Power of the Board to evaluate planning and NMI's progress towards achieving goals and
 - Creation of Institution Policy Making Committees that consist of broad stakeholder involvement.
- Standard Two: Organization and Governance
 - Amended Bylaws that reflect

*CFD still
a trustee*

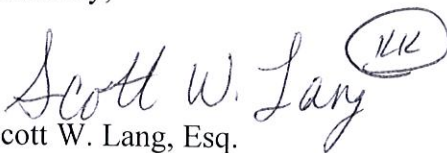
- Board oversight of the Division of Higher Education and Division of Continuing Education;
- Separation and independence between the Board of Trustees, the Administration, and the Faculty;
- The Chair of the Board of Trustees cannot be a shareholder or member of the senior staff;
- The hiring of Chief Academic Officer, Dr. Cynthia Stone;
- The hiring of several general education faculty members with higher education degrees and teaching and academic administration experience at the college level;
- The addition of a maritime and general education faculty member to the Institute Alliance Committee; and
- Policies that ensure compliance with the Massachusetts Attorney General's Regulations: Operating Fairly and Honestly in the Institute's Business Practices (940 CMR 31.00).
- A revised NMI Organizational Chart to reflect board oversight of the Division of Higher Education and Division of Continuing Education.
- Standard Three: Programs and Instruction
 - Adoption of the NEASC Policy on Credits and Degrees to ensure all general education and maritime classes meet the standards for college level work. Setting of the expectation that all faculty members know and understand the policy.
 - Amended Bylaws that reflect the creation of a curriculum committee with representation from the maritime and general education faculty members. Creation of the curriculum committee will ensure that outcomes assessment and continuous improvement occur as well as ensure faculty plays a significant role in degree and course requirements, assessments, and developments.
 - Adoption of the American Association of University Professors' Academic Freedom Policy.
 - Revised Syllabi to reflect unique and tailored grading and curriculum appropriate for each particular subject area.
 - Revised Associates Degree Program to reflect the MassTransfer Block's suggested core classes. Additionally, discussions have begun with the University of Massachusetts, Dartmouth's Chancellor, Divina Grossman, to sign a Memorandum of Understanding for a cross curriculum program for both NMI and UMass Dartmouth students.
- Standard Four: Faculty
 - The hiring of several general education faculty members with higher education degrees and experience teaching and academic administration at the college level.
 - A revised faculty table to reflect recent hires and show that no professor is teaching more than 15 credit hours per week.
 - Submission of general education faculty resumes.

*no new
audit*

- Standard Five: Student Services
 - A copy of NMI's "Disability Services Policies and Procedures."
- Standard Six: Financial Resources
 - The hiring of a Chief Financial Officer, Angela Dawicki.
 - Amended Bylaws to ensure that the Chief Financial Officer is also not the Treasurer of NMI.
 - A revised budget projected to 2018 that reflects tuition and fee projections and various attrition rates. All the budget projections show financial stability and sustainability of NMI and the Division of Higher Education.
 - Clarification about the relationship between the Commonwealth of Dominica Maritime Registry (DMRI) and NMI.
- Standard Seven: Public Disclosure
 - An Amended Course Catalog that reflects the addition of tuition and fees, financial aid and scholarships, a list of faculty with credentials, and information about how the AAS program will align with prospective student educational and career goals.
 - NMI is prepared to publish the Course Catalog on its website as soon as approval from DHE is received. NMI's web designer has created a placeholder for the catalog and must merely "publish" it to the website.
- Standard Eight: Physical Resources
 - A copy of a Memorandum of Understanding between NMI and the Seaport Inn and Marina to provide room for NMI students.
- Standard Nine: Library and Information Resources
 - A revised overview and both short and long term plan of the Joshua Slocum Library, including, increasing the number of general education volumes available to students and forming an advisory council with external advisors.
 - A copy of the letter sent to Chancellor Grossman of UMass Dartmouth asking to execute a Memorandum of Understanding to allow NMI students to access the university's library holdings.

I am confident that NMI's amended application will meet the rigorous standards that the Department of Higher Education requires for approval. Please do not hesitate to contact me if you have any questions or need any further information. I can be reached at 508-992-1270.

Sincerely,


Scott W. Lang, Esq.

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- Standard One: Mission, Planning, and Evaluation
 - Amended Bylaws to reflect
 - The Power of the Board to evaluate planning and NMI's progress towards achieving goals and
 - **Attachments Binder/Attachment 6 (Bylaws)**
 - Creation of Institution Policy Making Committees that consist of broad stakeholder involvement.
 - **Attachments Binder/Attachment 6 (Bylaws)**

 - Standard Two: Organization and Governance
 - Amended Bylaws that reflect
 - Board oversight of the Division of Higher Education and Division of Continuing Education;
 - **Attachments Binder/Attachment 6 (Bylaws)**
 - Separation and independence between the Board of Trustees, the Administration, and the Faculty;
 - **Attachments Binder/Attachment 6 (Bylaws)**
 - The Chair of the Board of Trustees cannot be a shareholder or member of the senior staff;
 - **Attachments Binder/Attachment 6 (Bylaws)**
 - The hiring of Chief Academic Officer, Dr. Cynthia Stone
 - **Attachments Binder/Attachment 6 (Bylaws)**
 - **Attachments Binder/Attachment 16 (CEO and CAO Information)**
 - The hiring of several general education faculty members with higher education degrees and teaching and academic administration experience at the college level
 - **Attachments Binder/Attachment 6 (Bylaws)**
 - **Attachments Binder/Attachment 11 (Faculty Information)**
 - The addition of a maritime and general education faculty member to the Institute Alliance Committee; and
 - **Attachments Binder/Attachment 6 (Bylaws)**
 - Policies that ensure compliance with the Massachusetts Attorney General's Regulations: Operating Fairly and Honestly in the Institute's Business Practices (940 CMR 31.00).
 - **Attachments Binder/Attachment 6 (Bylaws)**
 - A revised NMI Organizational Chart to reflect board oversight of the Division of Higher Education and Division of Continuing Education.
 - **Attachments Binder/Attachment 6 (Organizational Chart)**
-
- Standard Three: Programs and Instruction
 - Adoption of the NEASC Policy on Credits and Degrees to ensure all general education and maritime classes meet the standards for college level work. Setting of the expectation that all faculty members know and understand the policy.

- **Attachments Binder/Attachment 8 (Course Catalog)**
 - Amended Bylaws that reflect the creation of a curriculum committee with representation from the maritime and general education faculty members. Creation of the curriculum committee will ensure that outcomes assessment and continuous improvement occur as well as ensure faculty plays a significant role in degree and course requirements, assessments, and developments.
 - **Attachments Binder/Attachment 6 (Bylaws)**
 - Adoption of the American Association of University Professors' Academic Freedom Policy.
 - **Attachments Binder/Attachment 6 (Bylaws)**
 - **Attachment 8 (Course Catalog)**
 - Revised Syllabi to reflect unique and tailored grading and curriculum appropriate for each particular subject area.
 - **General Education Classes Binder/Exhibits 1-12**
 - **Maritime Education Classes Binder/Exhibits 3, 4, 6, 7, 11, 13**
 - Revised Associates Degree Program to reflect the MassTransfer Block's suggested core classes. Additionally, discussions have begun with the University of Massachusetts, Dartmouth's Chancellor, Divina Grossman, to sign a Memorandum of Understanding for a cross curriculum program for both NMI and UMass Dartmouth students.
 - **Attachments Binder/Attachment 10 (Course Curriculum and Graduation Requirements)**

- Standard Four: Faculty
 - The hiring of several general education faculty members with higher education degrees and experience teaching and academic administration at the college level.
 - **Attachments Binder/Attachment 11 (Faculty Information)**
 - A revised faculty table to reflect recent hires and show that no professor is teaching more than 15 credit hours per week.
 - **Attachments Binder/Attachment 11 (Faculty Information)**
 - Submission of general education faculty resumes.
 - **Attachments Binder/Attachment 11 (Faculty Information)**

- Standard Five: Student Services
 - A copy of NMI's "Disability Services Policies and Procedures."
 - **Attachments Binder/Attachment 17 (Disability Services and Policies and Procedures)**

- Standard Six: Financial Resources
 - The hiring of a Chief Financial Officer, Angela Dawicki.
 - Amended Bylaws to ensure that the Chief Financial Officer is also not the Treasurer of NMI.
 - **Attachments Binder/Attachment 6 (Bylaws)**

- A revised budget projected to 2018 that reflects tuition and fee projections and various attrition rates. All the budget projections show financial stability and sustainability of NMI and the Division of Higher Education.
 - **Attachments Binder/Attachment 13 (New Academic Budget Program)**
- Clarification about the relationship between the Commonwealth of Dominica Maritime Registry (DMRI) and NMI.
 - **Attachments Binder/Attachment 14 (Additional Financial Information)**
- Standard Seven: Public Disclosure
 - An Amended Course Catalog that reflects the addition of tuition and fees, financial aid and scholarships, a list of faculty with credentials, and information about how the AAS program will align with prospective student educational and career goals.
 - **Attachments Binder/Attachment 8 (Course Catalog)**
 - NMI is prepared to publish the Course Catalog on its website as soon as approval from DHE is received. NMI's web designer has created a placeholder for the catalog and must merely "publish" it to the website.
- Standard Eight: Physical Resources
 - A copy of a Memorandum of Understanding between NMI and the Seaport Inn and Marina to provide room for NMI students.
 - **Attachments Binder/Attachment 19 (MOU between the Seaport Inn and Marina and NMI)**
- Standard Nine: Library and Information Resources
 - A revised overview and both short and long term plan of the Joshua Slocum Library, including, increasing the number of general education volumes available to students and forming an advisory council with external advisors.
 - **Attachments Binder/Attachment 20 (Overview of Joshua Slocum Library)**
 - A copy of the letter sent to Chancellor Grossman of UMass Dartmouth asking to execute a Memorandum of Understanding to allow NMI students to access the university's library holdings.
 - **Attachments Binder/Attachment 20 (Overview of Joshua Slocum Library)**