

BOARD OF HIGHER EDUCATION
REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Academic Affairs

NO.: AAC 12-07

COMMITTEE DATE: October 11, 2011

BOARD DATE: October 18, 2011

APPLICATION OF WESTERN NEW ENGLAND UNIVERSITY TO AWARD THE LL.M IN CLOSELY-HELD BUSINESSES

MOVED: The Board of Higher Education hereby approves the Articles of Amendment of **Western New England University** to award the **LL.M in Closely-Held Businesses**.

Authority: Massachusetts General Laws Chapter 69, Section 30 et seq.

Contact: Francesca Purcell, Associate Commissioner for Academic and P-16 Policy

BOARD OF HIGHER EDUCATION

Western New England University

LL.M in Closely-Held Businesses

INTENT

Western New England University (WNEU) filed a petition for approval to offer the LL.M in Closely Held Businesses. An LL.M. degree is a post-graduate credential typically pursued by attorneys to gain advanced expertise in specialized areas of the law. The proposed LL.M. will emphasize the practical aspects of representing closely-held businesses, firms in which a small group of shareholders control the operating and managerial policies of the firm. The program will provide students with the necessary knowledge and skills to expand their practice and develop the ability to manage more complex business issues. An attorney whose practice includes representing closely-held businesses must have extensive knowledge in shareholder agreements, limited liability company operating agreements, business financing, taxation of subchapter S corporations, taxation of partnerships and limited liability companies, employment law, copyright law, trademarks, trade names, trade secrets and business succession planning. The proposed LL.M. in Closely-Held Businesses will be patterned upon WNEU's existing LL.M. in Estate Planning and Elder Law approved by the Board of Higher Education in 2007.

INSTITUTIONAL OVERVIEW

Western New England University is a non-profit institution, located in Springfield, Massachusetts. The institution was chartered in 1951 and authorized to offer the Bachelor of Business Administration "with specification in the fields of Accounting, Management and Engineering and Business and the degree of Bachelor of Laws, together with honorary degrees usually conferred." In May 1956, the institution was approved to offer the Bachelor of Science with specification in the fields of Industrial Engineering and Mechanical Engineering, as well as the Master of Business Administration. In May 1959, the Board of Higher Education approved the institution to grant "degrees such as are usually conferred in the Commonwealth of Massachusetts in the field of Business Administration, Science, Engineering, Education and Law, except at the doctorate level, together with honorary degrees such as usually conferred by colleges in the Commonwealth of Massachusetts." In February 1968, the institution was authorized to amend its purpose "to conduct a College for the teaching of subjects in the Arts and Sciences, in Business, Technical and Scientific Curricula, and in Law with authority to grant and confer degrees such as are usually conferred in the Commonwealth of Massachusetts, except at the Doctorate level." In April 1970, the Board of Higher Education approved the petition of the institution "to conduct a College for the teaching of subjects in the Arts and Sciences, in Business, Technical, and Scientific Curricula, and in Law; with the authority to grant and confer degrees such as are usually conferred in the Commonwealth of Massachusetts, except at the doctorate level, but including the first professional degree in Law." The Massachusetts Board of Higher Education approved the institution to award the LL.M. in Estate Planning and Elder Law in 2007, the Doctor of Philosophy in Behavior Analysis in 2008, the Doctor of Pharmacy in 2009, and the Doctor of Philosophy in Engineering Management in 2010. In 2011, the Board of Higher Education approved Western New England College's request to change its name to Western New England University.

WNEU currently has schools of Arts and Sciences, Business, Engineering, Law, and Pharmacy. The Western New England University School of Law is accredited by the American Bar

Association and is a member of the Association of American Law Schools. The proposed program has been granted acquiescence by the Accreditation Committee of the Section on Legal Education and Admissions to the Bar of the American Bar Association and it will be evaluated again in the 2012-2013 academic year.

ACADEMIC AND RELATED MATTERS

All of the courses in the proposed LL.M. in Closely-Held Businesses will be taught online in real time through the use of virtual classrooms over the Internet. With this synchronous system, faculty and students will meet at the same time but not in the same place. The program will have only part-time students with the curriculum implemented over a three-year period. Students will enroll in a maximum of three courses per semester. All courses will be two credit-hour courses. To obtain the degree, each student will be required to complete six required courses (12 credits) and six elective courses (12 credits) for a total of 12 courses (24 credits).

Curriculum (*Attachment A*)

Courses will emphasize the practical aspects of drafting and representing closely-held businesses. The required courses are designed to teach the fundamental knowledge of issues and drafting skills that every attorney who represents closely-held business entities must possess. The elective courses are designed to enhance and supplement the basic knowledge and skills in very specific areas which might be unique to the businesses that a particular attorney might represent.

Admission Requirements

Applicants for admission must possess a J.D. or an equivalent degree from a law school accredited by the American Bar Association and submit a completed application, resume, and fee. A limited number of non-degree students will be allowed to register for no more than two courses with the permission of the Director of the Program.

Tuition and Fees

For 2011-2012, tuition is \$1,535 per credit hour plus \$1,414 for fees. Thus, cost of the program will be \$37,080 (completed in two years).

Enrollment Projections

	# of Students Year 1	# of Students Year 2	# of Students Year 3	# of Students Year 4*
New Full Time	0	0	0	0
Continuing Full Time	0	0	0	0
New Part Time	15	15	30	30
Continuing Part Time	0	15	30	30
Totals	15	30	45	45

RESOURCES

The Director of the proposed LL.M. in Closely-Held Businesses will be Professor Frederick Royal who will be assisted by Ms. Carmen Alexander, his Administrative Assistant. Professor Royal reports to the dean of the School of Law. Once the proposed LL.M. in Closely-Held Businesses is fully operational, two or more full-time professors from in the School of Law and ten or more adjunct faculty will teach in the program. Presently, two full-time professors in the School of Law and two adjunct professors have committed to teach in the proposed program.

Western New England College has contracted with the company Elluminate to provide the classrooms for the live online interactive classes. The Elluminate system records both the video and audio of all classes.

The initial start-up costs are limited to administrative expenses and advertising. The anticipated additional annual operating expenses will be the salaries for the professors who teach in the program, the cost of the online Elluminate program, and the continued administrative and marketing expenses. Based on enrollment assumptions, WNEU predicts that the program will produce a positive revenue flow.

Since all of the courses will be taught online, the program will not place any burden on the physical facilities at the law school. The Law School's present electronic library, Westlaw and Lexis will be the library resources.

EVALUATION

The proposed program was reviewed by Anthony Luppino, Professor of Law, Director of the Graduate Tax (LL.M) Program, University of Missouri-Kansas City School of Law; Celeste M. Hammond, Professor, Director, Center for Real Estate Law, John Marshall Law School; and Karen Muncaster, Associate Vice President, Provost's Office, Lesley University. The visiting committee found that the proposed program is "well-conceived and well-designed." Specifically, "the proposed admissions policies, course offerings and requirements, delivery systems, and methods of student evaluation, combined with the strong qualifications of the contemplated instructors, support systems for students and faculty, administrative structure and fiscal and other resources, constitute an appropriate plan for an LL.M. degree in the subject area of closely held-businesses."

The visiting committee made minor recommendations to modify the admissions practice, to include client interviewing skills in the curriculum, and to describe succession plans for the administration of the program. The committee raised the concern that the full-time faculty associated with the program has a heavy load and recommended WNEU clarify the workload for each full-time faculty member and the policy for overload at WNEU.

WNEU responded substantively to each of the visiting committee's recommendations. WNEU will require applicants to submit resumes as part of the application process, will consider substituting certain J.D. courses for LLM courses, and clarified the overload policy.

PUBLIC HEARING

The required public hearing was held on July 19, 2011 at 10:30 a.m. in the Board of Higher Education's office. No comments were offered in opposition to the proposed program.

STAFF ANALYSIS AND RECOMMENDATION

After a thorough evaluation of all documentation submitted, staff is satisfied that the proposed LL.M in Closely Held Businesses at Western New England University meets the criteria set forth in 610 CMR 2.08(3) in the Degree-Granting Regulations for Independent Institutions of Higher Education, accredited by the New England Association of Schools and Universities. Recommendation is for approval.

ATTACHMENT A: Curriculum Outline

Major Required (Core) Courses (Total # of courses required = 6)		
<i>Course Number</i>	<i>Course Title</i>	<i>Credit Hours</i>
LLM 200	Operation, Management and Control of Closely-Held Businesses	2
LLM 201	Design and Drafting of Corporate Operating Documents	2
LLM 202	Design and Drafting of Limited Liability Company Operating Documents	2
LLM 203	Income Taxation of Corporations	2
LLM 204	Income Taxation of Partnerships and Limited Liability Companies	2
LLM 205	Business Financing	2
	SubTotal # Core Credits Required	12
Elective Course Choices (Total courses required = 6) (attach list of choices if needed)		
LLM 250	Business Succession Planning	2
LLM 251	Franchise Law	2
LLM 252	Commercial Real Estate Transactions	2
LLM 253	International Business Transactions	2
LLM 254	Designing Fringe Benefits and other Compensation for Owners and Key Employees	2
LLM 255	Internet Law	2
LLM 256	Trademark Law	2
LLM 257	Employment Law	2
	SubTotal # Elective Credits Required	12
Curriculum Summary		
Total number of courses required for the degree		12
Total credit hours required for degree		24
Prerequisite, Concentration, Dissertation or Other Requirements: Prerequisite for entry into the LL.M. Program is a J.D. from an ABA approved law school.		

ATTACHMENT B: BUDGET

One Time/ Start Up Costs		Annual Expenses			
		Year 1	Year 2	Year 3	Year 4
	Cost Categories				
	Full Time (in School of Law) Faculty (Salary & Fringe)	6,500	19,500	26,000	26,000
	Part Time/Adjunct Faculty (Salary & Fringe)	21,000	40,500	50,400	50,400
	Staff	35,000	37,000	40,000	40,000
	General Administrative Costs	8,000	10,000	12,000	14,000
	Instructional Materials, Library Acquisitions	0	0	0	0
	Facilities/Space/Equipment	0	0	0	0
	Field & Clinical Resources	0	0	0	0
	Marketing	35,000	45,000	50,000	55,000
	Other (Specify)Elluminate (online classroom	4,000	8,000	12,000	12,000
	TOTALS	109,500	160,000	190,400	197,400

One Time/Start- Up Support		Annual Income			
		Year 1	Year 2	Year 3	Year 4
	Revenue Sources				
	Grants	0	0	0	0
	Tuition	206,000	433,400	682,560	730,340
	Fees	0	0	0	0
	Departmental	0	0	0	0
	Reallocated Funds	0	0	0	0
	Other (specify)	0	0	0	0
	TOTALS	206,000	433,400	682,560	730,340