**APPENDIX B**

**ARKANSAS CODE**

**6-61-301.  Incorporation generally.**

  **(a)**  **(1)**  **(A)** An individual shall incorporate under the applicable laws of the state and receive certification from the Arkansas Higher Education Coordinating Board before offering educational coursework leading to a degree or before establishing a postsecondary educational institution unless the institution is a:

         **(i)** State-supported institution of higher education;

         **(ii)** School under §6-51-601 et seq.;

         **(iii)** School exempt from §6-61-301 et seq.; or

         **(iv)** School regulated by the Cosmetology Technical Advisory Committee.

      **(B)** A postsecondary education institution located in another state first shall obtain certification from the Arkansas Higher Education Coordinating Board before offering a course or degree in this state unless the institution is a:

         **(i)** School under §6-51-601 et seq.;

         **(ii)** School exempt from §6-61-301 et seq.; or

         **(iii)** School regulated by the Cosmetology Technical Advisory Committee.

      **(C)** A postsecondary education institution in this state shall first obtain certification from the Arkansas Higher Education Coordinating Board before offering courses that lead to a degree that is customarily granted by colleges or universities.

   **(2)** State-supported vocational and technical schools, institutions covered under § 6-51-601 et seq., or institutions regulated by the Cosmetology Technical Advisory Committee shall obtain approval for programs in which a degree could be granted from both the Arkansas Higher Education Coordinating Board and the State Board of Education.

   **(3)** Nonpublic, not-for-profit colleges and universities currently incorporated, recognized by the Arkansas Higher Education Coordinating Board as Arkansas independent institutions of higher education, and operating under the applicable laws of this state shall not be required to receive certification from the Arkansas Higher Education Coordinating Board or to receive licensure from the Arkansas Division of Higher Education under §6-51-601.

**(b)**  **(1)** The Arkansas Higher Education Coordinating Board shall establish the criteria required for certification and may promulgate rules to carry out the provisions of this chapter.

   **(2)** The Arkansas Higher Education Coordinating Board shall not grant certification to an individual or postsecondary education institution under subdivision (a)(1) of this section unless the individual or postsecondary education institution is:

      **(A)** Accredited by an entity recognized by the United States Department of Education;

      **(B)** Accredited by an entity recognized by the Council for Higher Education Accreditation;

      **(C)** A candidate for accreditation from an entity recognized by the United States Department of Education or the Council for Higher Education Accreditation during the institutional planning and development period; or

      **(D)** An applicant for accreditation from an entity recognized by the United States Department of Education or the Council for Higher Education Accreditation during the institutional planning and development application process.

**(c)** An individual or postsecondary institution that operates in the state without certification from the Arkansas Higher Education Coordinating Board as required under subsection (a) of this section shall be guilty of a Class B misdemeanor.

**(d)**  **(1)** To secure legal existence by act of incorporation, the individuals desiring to become a corporation as trustees of a college, university, or other postsecondary institution shall prepare a charter for the proposed institution and shall present the charter to the Arkansas Higher Education Coordinating Board.

   **(2)** If the Arkansas Higher Education Coordinating Board determines that the charter is in accordance with the provisions of the laws of the State of Arkansas and the rules and regulations of the Arkansas Higher Education Coordinating Board, the Arkansas Higher Education Coordinating Board shall issue to the trustees a certificate appended to a copy of the charter with the Great Seal of the State of Arkansas attached.

   **(3)** The certificate shall state that the accompanying charter is granted to the trustees, that they have complied with the provisions of law, and that they are thereby constituted the board of directors of that institution and invested with all powers prescribed in the charter.

   **(4)** A copy of the charter and certificate shall be filed with the Secretary of State and recorded by him or her in a book to be kept for the purpose.

   **(5)** The Arkansas Higher Education Coordinating Board shall have the power, after giving thirty (30) days' notice in writing to the trustees to show cause why such action should not be taken, to revoke any certification issued by the Arkansas Higher Education Coordinating Board whenever the Arkansas Higher Education Coordinating Board shall find, after proper investigation, that the institution is conferring degrees or diplomas without requiring sufficient work therefor or is in violation of any of the provisions of the laws of this state or the regulations of the Arkansas Higher Education Coordinating Board relative thereto.

**6-61-302.  Incorporation and certification -- Advisory committee.**

  **(a)** To assist the Arkansas Higher Education Coordinating Board in its responsibilities regarding incorporation and certification of postsecondary educational institutions, the board shall appoint an advisory committee.

**(b)** The advisory committee shall include:

   **(1)** Two (2) nonpublic postsecondary education institution chief administrators;

   **(2)** Two (2) public postsecondary education institution chief administrators;

   **(3)** Two (2) chief administrators of proprietary schools which are licensed under §6-51-601 et seq.;

   **(4)** The Director of the Department of Career Education or his or her designated representative; and

   **(5)** Two (2) legal residents of the state who are not officially affiliated with any postsecondary institution in any state as an employee or board member or in any other capacity.

**(c)** The members shall serve nine-year terms.

**(d)** Members shall serve without compensation but may be reimbursed for expenses in accordance with §25-16-901 et seq.