

March 17, 2023

Ms. Chiaoling Hsu
Interim President
NewSchool of Architecture and Design
1249 F Street
San Diego, CA 92101

Dear President Hsu:

This letter serves as formal notification and official record of action taken concerning NewSchool of Architecture and Design (NSAD) by the WASC Senior College and University Commission (WSCUC) at its meeting February 24, 2023. This action was taken after consideration of the report of the review team that conducted the Special Visit to NSAD October 14, 2022. The Commission also reviewed the materials submitted by NSAD subsequent to the Special Visit. The Commission appreciated the opportunity to discuss the visit with you and your colleagues Dutchie Reid, Chief Academic Officer, Gregory O'Brien, Chair of the Board, and Bruce Matthes, Head of Integrative Studies. Your comments were very helpful in informing the Commission's deliberations. The date of this action constitutes the effective date of the institution's status with WSCUC.

Actions

1. Receive the Special Visit team report that focused on: (1) finances and enrollment; (2) board governance; and (3) leadership
2. Remove the Formal Notice of Concern
3. Issue a Warning
4. Schedule a progress report for June 30, 2023 to address finances, enrollment, staffing, board activities, and search for a new president
5. Schedule a Special Visit in fall 2023 to address the requirements in this letter

Warning

A Warning reflects the Commission's finding that an institution fails to meet one or more of the Standards of Accreditation. While on Warning, any new site or degree program initiated by the institution is regarded as a substantive change (see the Substantive Change Manual for details). The accredited status of the institution continues during the Warning period. The Commission action to issue a Warning is subject to Commission Review, described below.

Under U.S. Department of Education regulations, when the Commission finds that an institution fails to meet one or more of the Standards of Accreditation, it is required to

notify the institution of the deficiencies and establish a time period within which the deficiencies must be corrected. Under the Commission's policies the timeframe may not exceed two years. If an institution has not remedied the deficiencies at the conclusion of this sanction period, the Commission is required, under U.S. Department of Education regulations, to withdraw the institution's accreditation or extend the timeframe for good cause shown. The extension may not exceed two years.

An institution under sanction must address the areas cited by the Commission expeditiously, with seriousness and the full attention of the institution's leadership. It is the responsibility of the Commission to determine, at the end of the sanction period, whether the institution has made the necessary corrections and has come into compliance with Commission Standards. (Please refer to pages 36-42 of the 2013 Handbook of Accreditation.)

It is also the responsibility of the institution to demonstrate to the Commission that it has understood the issues raised in this letter, responded to them satisfactorily, and has made the necessary changes to come into compliance with Standard 3.

Areas of Noncompliance

The Commission determined that NSAD was out of compliance with Standard 3, specifically with CFRs 3.4 and 3.9.

Financial strength and sustainability. NSAD has experienced serious financial problems with total operating expenses exceeding total revenues for the past two years. Significant operational deficits have only been avoided by subsidies from the parent entity. NSAD will need to reach a position where it is financially sustainable without being dependent on such support. In addition, the US Department of Education has placed NSAD on Heightened Cash Monitoring 2 which requires the institution to cover Title IV funds for all of its students and then be reimbursed by the Department, which further contributes to NSAD's financial challenges. The Commission finds that NSAD is out of compliance with CFR 3.4.

Enrollment planning and growth. NSAD's enrollment has shown a significant downward trend over the last six years falling short of overly optimistic projections. NSAD needs to become more effective at marketing and recruiting to grow its enrollment, given the critical role enrollment and tuition play in the financial stability of the institution. The Commission finds that NSAD is out of compliance with CFR 3.4.

Board governance. The board has experienced significant disruption, turnover, and diminution in size and capacity. The board is in the rebuilding process and must ensure adequate stewardship and capacity to provide effective oversight of NSAD strategy and financial health. The Commission finds that NSAD is out of compliance with CFR 3.9.

The Commission requires the institution to respond to the following issues:

1. Develop a short-term rebuilding plan that focuses on revenue generation and financial viability. (CFR 3.4)
2. Accelerate the development of a strategic marketing, enrollment, and retention plan with adequate resources, clear measurable targets, and metrics to monitor success. (CFRs 3.4, 3.6)
3. Continue the search process for the new president, with careful consideration of the necessary qualifications and skill set to lead NSAD in addressing its current challenges and attaining its long-term strategic goals. (CFR 3.8)
4. Prioritize the plans for future board expansion to ensure independence, competence, and appropriate membership composition to fulfill its responsibilities to the institution. (CFR 3.9, Governing Board Policy, Governing Board Policy Implementation Guide)
5. Identify a sustainable staffing structure to ensure adequate support for the needs of students. (CFR 3.1)

Next Steps

The Commission requires a meeting between the WSCUC staff and representatives of NewSchool of Architecture and Design, including the Chief Executive Officer, representatives of the governing board, and senior faculty leadership, within 90 days from the date of this letter. The purposes of the meeting are to further clarify the reasons for the Commission's findings and bases for decision, to review the actions taken as of the date of the meeting, and to discuss the institution's plans for responding to this Commission action. WSCUC will contact NSAD's ALO to make arrangements for this meeting.

The Commission decision to impose this Warning is subject to Commission review. A request by the institution for Commission review is limited to one or more of the four bases outlined in the *2013 Handbook of Accreditation, Revised* (see pp. 40-42). If NSAD intends to seek review, the request, co-signed by the CEO and chair of the governing board, must be submitted to the president of the Commission within 28 days of the date of this letter together with the required fee.

Commission policy requires that in the case of a sanction, a public statement will be prepared in consultation with the institution acknowledging the institution's status. The Commission reserves the right to make the final determination of the nature and content of the public statement. The public statement must be posted on the institution's website.

Enclosed is a copy of a sample public statement, which NSAD may use as it stands. If you wish to propose revisions to the sample, your proposed changes must be forwarded by email to Dr. Barbara Gross Davis within 24 hours of receipt of this letter. In addition, any reference to WSCUC accreditation on the website and in public statements must be accompanied by the words "Currently on Warning."

In accordance with Commission policy, a copy of this letter is being sent to the chair of NSAD's governing board. The Commission expects that the team report and this action letter will be posted in a readily accessible location on the NSAD website and widely distributed throughout the institution to promote further engagement and improvement and to support the institution's response to the specific issues identified in these documents. The team report and the Commission's action letter will also be posted on the WSCUC website. If the institution wishes to respond to the Commission action on its own website, WSCUC will post a link to that response on the WSCUC website.

Please contact me if you have any questions about this letter or the action of the Commission.

Sincerely,

Jamienne S. Studley
President



JSS/bgd

Cc: Phillip Doolittle, Commission Chair
Dutchie Reid, ALO
Gregory O'Brien, Board Chair
Members of the Special Visit team
Barbara Gross Davis, Vice President

WASC Senior College and University Commission Statement
on the Status of NewSchool of Architecture and Design

On February 24, 2023, the WASC Senior College and University Commission (WSCUC) voted to issue a Warning to NewSchool of Architecture and Design (NSAD).

A Warning reflects the Commission's finding that an institution fails to meet one or more of the Standards of Accreditation. The Commission has determined that NewSchool of Architecture and Design is not in compliance with WSCUC Standard 3. Under U.S. Department of Education Regulations, when the Commission finds that an institution fails to meet one or more of the Standards of Accreditation, it is required to notify the institution of these findings and give the institution a period of time to correct the deficiencies. Under the Commission's policies the timeframe may not exceed two years. It is the responsibility of the Commission to determine, at the end of the sanction period, whether the institution has made the necessary corrections and has come into compliance with Commission Standards.

The accredited status of NSAD continues during the Warning period and students' status within the college is not affected by this sanction.

The Commission's decision to issue NSAD a Warning is subject to the terms and conditions contained in the Commission Action Letter dated March 17, 2023. This document is available on the WSCUC website. Anyone who has questions about NSAD's accreditation status should contact Dutchie Reid, Accreditation Liaison Officer at NSAD.