

November 18, 2022

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

Dear Ms. Hsu:

This letter serves as formal notification and official record of action taken concerning the NewSchool of Architecture and Design (NewSchool) by the WASC Senior College and University Commission (WSCUC) at its meeting of the Executive Committee on November 15, 2022. At that meeting, WSCUC acted to place NewSchool on Formal Notice of Concern.

A Formal Notice of Concern provides notice to the institution and the public that, while it currently meets WSCUC Standards, it is in danger of being found in noncompliance with one or more Standards if current trends or findings continue. Institutions issued a Formal Notice of Concern are scheduled for a Special Visit within four years. If the Commission finds that the institution is out of compliance with the Standards, a sanction could be imposed as described in the 2013 *Handbook of Accreditation*. A Formal Notice of Concern is public information and will be posted on the WSCUC website.

This Commission action was taken after a Special Visit by a peer review team on October 14, 2022, prompted by the abrupt departure of multiple critical leadership positions at NewSchool and significant concerns about the financial condition of the institution.

The Commission has found that NewSchool is trending toward noncompliance with Standard 3, specifically:

- CFR 3.4. While NewSchool has a balanced budget for FY22 and is projected to have a balanced budget for FY23 because of waivers of costs for shared services, the institution may not have resources sufficient to ensure long term viability if current trends continue.
- CFR 3.8. The stability of the leadership of the institution is of concern. Since 2020 NewSchool has had one permanent and four interim presidents. In addition, there has been an unusual level of turnover in other key positions at NewSchool.
- CFR 3.9. The board has experienced significant disruption, turnover, and diminution in size and capacity. The current board needs to expand its membership with appropriate skill sets to ensure adequate stewardship and oversight of strategy and operations.

The accredited status of NewSchool continues during Notice of Concern, and any new sites or degree programs initiated by the institution must be approved through the substantive change process.

Actions

1. Issue a Formal Notice of Concern
2. Continue accreditation until the issues that resulted in the Notice of Concern have been satisfactorily addressed, but in any event no longer than four years.
3. Request that NewSchool provide to the Commission the following information by December 2, 2022:
 - Response to the peer reviewers' team report including
 - Overall impression of the report
 - Steps the institution may have taken since the visit to work on any recommendations from the report
 - Plans the institution may have in the future to address the team's recommendations
 - A description of the current financial status of NewSchool, including the level of committed support from Ambow
 - A description of how NewSchool will respond to the federal Heightened Cash Monitoring 2 requirement to ensure students continue to receive financial aid, vendors continue to be paid, and payroll continues to be met
 - The outcome of efforts to renegotiate the lease and its impact on the cash position of NewSchool
 - Attrition, if any, in fall 2022 enrollment
 - Projected enrollment for 2023
 - The status of the search for a new president and a copy of the job announcement
 - An update on board recruitment, including the recruiting plan for new board members with characteristics sought and timeline to achieve board expansion

Please provide the materials in the Box folder that NewSchool used as part of the October 14, 2022 visit, in the folder labeled Requested Commission Materials.

The Commission will review the materials in December to decide on next steps, including whether to meet with the institution and act on the Special Visit review at its February 2023 meeting or on a more expedited basis; to put in place additional interaction with the Commission; and/or to request more information. NewSchool will be notified of the next steps before December 31, 2022.

In accordance with Commission policy, a copy of this letter is being sent to the chair of NewSchool's governing board. The Commission expects that the team report and this action letter will be posted in a readily accessible location on NewSchool's 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 this 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,

A handwritten signature in black ink, appearing to read "Jamiene S. Studley". The signature is fluid and cursive, with the first name being the most prominent.

Jamiene S. Studley
President

JSS/bgd

Cc: Phillip Doolittle, Commission Chair
Greg O'Brien, Board Chair
Shannon Goo, ALO
Team Members
Barbara Gross Davis, Vice President