



May 31, 2024

Dr. Kerry Walk  
President  
University of the Arts  
320 South Broad Street  
Philadelphia, PA 19102

### **Notification of Adverse Action**

Dear Dr. Walk:

On behalf of the Middle States Commission on Higher Education, I am writing to inform you that on May 31, 2024, the Commission acted as follows:

To acknowledge receipt of the institution's notification on Wednesday, May 29, 2024, regarding the status of the institution and unplanned, imminent closure. To note that the institution failed to inform the Commission of closure in a timely manner or to properly plan for closure with prior approval through substantive change. To require immediate notification to the Commission verifying the date of closure of the institution by email to [actions@msche.org](mailto:actions@msche.org). To take an immediate adverse action to withdraw accreditation from University of the Arts effective June 1, 2024. To note that the Commission has determined that an immediate adverse action is necessary because the institution has not complied with the Commission's procedures, requests for written reports, teach-out plan, or other information, specifically (1) the institution is not in compliance with Standard I (Mission and Goals), Standard II (Ethics and Integrity), Standard III (Design and Delivery of the Student Learning Experience), Standard IV (Support of the Student Experience), Standard V (Educational Effectiveness Assessment), Standard VI (Planning, Resources, and Institutional Improvement), Standard VII (Governance, Leadership, and Administration), and Requirement of Affiliation 2; (2) the institution has failed to ensure all communications with constituents, regulatory agencies, and the Commission comply with the Communication in the Accreditation Process Policy and Procedures; (3) the institution has failed to obtain prior approval for closure through the Substantive Change Policy and Procedures; (4) the institution has not met the requirements of the Commission's Public Disclosures Policy and Procedures; (5) the institution has failed to demonstrate that it can provide a quality student learning experience (Accreditation Actions Policy and Procedures); (6) the institution has failed to demonstrate the capacity to make required improvements (Accreditation Actions Policy and Procedures); (7) the

institution has failed to demonstrate that it can sustain itself in the short or long term (Accreditation Actions Policy and Procedures); (8) the institution has failed to demonstrate that it has documented financial resources, funding base, and plans for financial development (Standard VI); and (9) the institution is in imminent danger of closing (Accreditation Actions Policy and Procedures). This decision is based on the institution's current non-compliance and accreditation activities, including the institution's notification of closure dated May 29, 2024; the supplemental information report submitted after the 12:00 p.m., May 30, 2024, deadline, and subsequent communications and correspondence of record between the institution and the Commission. These institutional reports and responses have failed to document that the institution has achieved and can sustain ongoing compliance with the Commission's standards for accreditation, requirements of affiliation, policies and procedures, and applicable federal regulatory requirements, including Standard I (Mission and Goals), Standard II (Ethics and Integrity), Standard III (Design and Delivery of the Student Learning Experience), Standard IV (Support of the Student Experience), Standard V (Educational Effectiveness Assessment), Standard VI (Planning, Resources, and Institutional Improvement), Standard VII (Governance, Leadership, and Administration), Requirement of Affiliation 2, Accreditation Actions Policy and Procedures, Communication in the Accreditation Process Policy and Procedures, Public Disclosures Policy and Procedures, Substantive Change Policy and Procedures, and Teach-Out Plans and Agreements Policy and Procedures. To note that any adverse action is subject to appeal in accordance with the Commission's Appeals from Adverse Actions Procedures. To direct the institution to immediately (1) notify all constituents of the immediate withdrawal of accreditation; (2) notify the University of the Arts community, including all governing board members, students, faculty, staff, and others with significant roles, of the status of the institution; (3) provide accurate information regarding the institution's accreditation status with MSCHE on its website and wherever accreditation is referenced on the institution's web pages, publications, announcements, and in all other appropriate places and venues; (4) complete and issue transcripts at no cost to all students wishing to transfer to another institution; (5) enter into signed teach-out agreements; (6) identify a repository for student and institutional records so that students and alumni will be able to obtain accurate and complete transcripts in the future; and (7) report accurate, fair, and complete information on all aspects of the institution and its operations in a manner that allows the Commission to carry out its accrediting responsibilities (Accreditation Actions Policy and Procedures, Communication in the Accreditation Process Policy and Procedures, Public Disclosures Policy and Procedures, Substantive Change Policy and Procedures, and Teach-Out Plans and Agreements Policy and Procedures). To remind the institution that it must complete and submit for approval, by June 7, 2024, a comprehensive, implementable teach-out plan and signed teach-out agreements with appropriate teach-out partner institutions (Teach-Out Plans and Agreements Policy and Procedures). The teach-out plan must include evidence that the institution immediately made required notifications and disclosures. To note that if the institution is not

operational with students actively enrolled in its degree granting programs in violation of Requirement of Affiliation 2, the Commission will consider the institution closed and terminate any pending appeal. To note that if the Commission determines that the institution has violated any other Commission policies and procedures, standards for accreditation, requirements of affiliation, or applicable federal regulatory requirements, the Commission will take additional action. To note all final adverse actions are subject to the arbitration requirements in the Commission's Arbitration of Disputes Concerning Final Adverse Actions Procedures and federal regulation 34 CFR §602.20(e). To note that accreditation will cease on June 1, 2024.

This action is an **adverse action**. The institution retains its Accredited status until the completion of any appeal. An explanation of this type of action is provided in the Commission's *Accreditation Actions Policy and Procedures*. If any of the information contained within the action appears to be factually incorrect, please send an email within 60 calendar days of the date of the action to [actions@msche.org](mailto:actions@msche.org).

This action includes language regarding the submission of a comprehensive, implementable teach-out plan. The teach-out plan must be submitted in accordance with the Commission's *Teach-Out Plans and Agreements Policy and Procedures*. The purpose of a teach-out plan is to provide a written plan that accounts for the equitable treatment of students if an institution, or an institutional location, ceases to operate before all students have completed their program of study. The teach-out plan must include signed teach-out agreements.

To have its accreditation reaffirmed, an institution placed in a non-compliance status must demonstrate that it meets or continues to meet the standards for accreditation, requirements of affiliation, policies and procedures, and federal requirements. The Commission has determined that the institution could not demonstrate compliance in the areas indicated in the Commission's action. Further, the history of the institution's non-compliance has been reported on the *Statement of Accreditation Status*, which is available online at [www.msche.org](http://www.msche.org).

The institution has the right to appeal the Commission's action in accordance with the following procedures: *Appeals from Adverse Actions Procedures*. A timely request by the institution must be made in writing and filed in accordance with the Commission's procedures. The institution must submit an *Acknowledgement of Adverse Action and Option to Exercise or Waive the Right to An Appeal* within five (5) calendar days of the date of receipt of this notice of adverse action by 4:30 p.m. ET. The form is provided as Appendix A to the *Appeals from Adverse Actions Procedures*. If an institution has submitted its intention to exercise the right to an appeal, the institution must submit the *Notice of Intent to Appeal Form* within fifteen (15) calendar days of the date of receipt by the institution of this notification of adverse action by 4:30 p.m. ET. The *Notice of Intent to Appeal Form* is provided as Appendix B to the *Appeals from Adverse Actions Procedures*.

The Appellant shall be responsible to pay the costs of the appeal. Pursuant to the Commission's *Appeals from Adverse Actions Procedures*, to perfect the filing of the Appeal, the institution must remit payment to the Commission in the amount of \$20,000 as a deposit on the payment of costs with the *Notice of Intent to Appeal*. After issuance of the Appeal Panel's decision, the Administrator of the Appeal will review and approve all expense reports, pay all costs, and provide the appellant institution with an accounting of the costs of appeal. If the costs are less than the deposit, the Administrator of the Appeal will enclose a refund of the excess deposit with

the accounting of the costs of the Appeal. If the expenses exceed the amount of the deposit, the Administrator of the Appeal will enclose a bill with the accounting of the costs of the Appeal.

All final adverse actions following appeal are subject to the arbitration requirements in the Commission's *Arbitration of Disputes Concerning Final Adverse Actions Procedures* and federal regulation 34 CFR § 602.20(e).

Pursuant to the Commission's *Communication in the Accreditation Process Policy and Procedures*, this letter serves as the Commission's official notification of this action. This accreditation action will be publicly available on the Commission's website within 24 hours of formal notification to the institution. In accordance with policy and federal regulations, the Commission provides notification of non-compliance and adverse actions to the United States Secretary of Education, the appropriate state or other licensing or authorizing agency, and the appropriate accrediting agencies at the same time it notifies the institution, but no later than 30 days after it takes the action.

Commission policy and procedures allow for the submission of an optional institutional statement, which will be posted on the Commission's website, in response to the above adverse action. Any institutional statement must be on institutional letterhead, signed by an authorized representative of the institution, and submitted as a PDF document. Because the institutional statement will be posted publicly, it is important that the institutional statement address the accreditation issue and avoid issues that are not relevant to the action. Hyperlinks are not permitted to be used. The submission of an optional institutional statement must be sent to [actions@msche.org](mailto:actions@msche.org) within 60 calendar days from the date of the action by 4:30 p.m. ET.

Pursuant to the Commission's *Public Disclosures Policy and Procedures* and federal regulation 34 CFR § 602.26(b), the institution is required to publicly disclose an accurate representation of its current accreditation phase and accreditation status with the Commission, which you will find on the institution's Statement of Accreditation Status (SAS) at the Commission's website. The institution is required to publicly disclose non-compliance and adverse actions. The Commission provides procedures and a sample statement for this disclosure in the *Public Disclosures Policy and Procedures* which must be implemented within seven calendar days of this notification where accreditation is referenced on the institution's website and wherever accreditation is referenced in publications.

The following resources provide additional information that may be helpful to understanding the Commission's actions and the institution's accreditation status:

[\*Accreditation Actions Policy and Procedures\*](#)

[\*Accreditation Review Cycle and Monitoring Policy and Procedures\*](#)

[\*Appeals from Adverse Actions Policy and Procedures\*](#)

[\*Arbitration of Disputes Concerning Final Adverse Actions Procedures\*](#)

[\*Communication in the Accreditation Process Policy and Procedures\*](#)

[\*Public Disclosures Policy and Procedures\*](#)

*Standards for Accreditation and Requirements of Affiliation*

*Teach-Out Plans and Agreements Policy and Procedures*

For questions about the Commission's actions, please contact the institution's designated Commission staff liaison. Questions from the public about the institution's accreditation phase or accreditation status can be directed to [communications@msche.org](mailto:communications@msche.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Heather F. Perfetti", with a stylized flourish at the end.

Heather F. Perfetti, J.D., Ed.D.  
President