REPORT OF THE WSCUC TEAM

SPECIAL VISIT

To United States University

November 27–30, 2018

Team Roster

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The team evaluated the institution under the 2013 Standards of Accreditation and prepared this report containing its collective evaluation for consideration and action by the institution and by the WASC Senior College and University Commission (WSCUC). The formal action concerning the institution's status is taken by the Commission and is described in a letter from the Commission to the institution. This report and the Commission letter are made available to the public by publication on the WSCUC website.

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SECTION I – OVERVIEW AND CONTEXT

A. Description of the Institution, Accreditation History, as relevant, and Visit

The history of United States University (USU) as an institution of higher education dates back to 1997. Originally named InterAmerican College (IAC), it was conceived as a non-profit, private liberal arts institution designed to "provide personalized education for working adults, Latino and other underserved populations and immigrants through the *La Familia*" student-centered model of program delivery. WSCUC granted candidacy to IAC in 2005 and initial accreditation in 2009. In the years since its initial accreditation, the institution has experienced three ownership changes and one name change. Throughout its history, USU has maintained a close relationship with WSCUC as it has worked to build academic programs, meet WSCUC standards, and fulfill its mission.

The institution's accreditation history is complex. In 2009, when IAC received initial accreditation, WSCUC also approved a structural change converting it from nonprofit to for-profit status. The institution was renamed United States University in 2010 and moved to a new campus in Chula Vista in 2011. A WSCUC Special Visit conducted in spring 2013 found that USU was out of compliance with all four standards referenced in the Handbook of Accreditation. As a result, the Commission placed the university on probation in July 2013.

WSCUC approved a change of ownership in June 2014. The next year, USU was reviewed for reaffirmation of accreditation and the Commission removed probationary status and reaffirmed accreditation for seven years while concurrently issuing a formal Notice of Concern. A Special Visit was scheduled for fall 2017 to assess progress on academic programs, assessment, student completion, enrollment, and finances.

In June 2017, WSCUC rescheduled the fall 2017 Special Visit to fall 2018. The WSCUC Substantive Change committee accepted a Change of Ownership and the Commission approved the Substantive Change (Change of Ownership) in November 2017. United States University is currently owned by Aspen Group, Inc. (AGI). USU and AGI have entered into a Service Level Agreement (SLA) for the purpose of establishing an inaugural shared services protocol and environment between the two entities to provide the infrastructural support necessary to enable USU to maintain a complete focus on teaching and learning.

The United States University mission statement reads:

United States University provides professional and personal educational opportunities, with a special outreach to underserved groups. Through campus and online programs, the university offers affordable, relevant and accessible undergraduate and graduate degree programs and certificates in a supportive student-centered learning environment.

USU offers six undergraduate and graduate degree programs. The programs include: BA in Management (BAM), Master of Business Administration (MBA), Master of Arts in Education (MAEd), BS in Health Sciences (BSHS), Registered Nurse to BS in Nursing (RN-BSN), and MS in Nursing (tracks: Family Nurse Practitioner, Nursing Leadership for Health Systems Management Innovation, and Online Education and Education Technology) (MSN, MSN-FNP). A Teacher Certification program (TCPP), accredited by the California Commission on Teacher Credentialing (CTC) is also offered. One program, MS in Health Science has been taught out based on recommendations of a viability study conducted by faculty.

In keeping with their mission to be accessible, programs are offered across multiple modalities – online only and a hybrid model that includes face to face weekend courses for the MBA program. Additionally, USU's academic schedule is structured into two terms each semester. For example, fall is scheduled as Fall I and Fall II. Students can begin classes at the beginning of any term; in other words, there are six "start" dates each academic year. Therefore, admissions, enrollment, and persistence rates are complex. Data from 2018 Fall I indicate 622 students were enrolled. Additionally, new student program starts October 2017 to September 2018 were 572 students across all degree programs.

This Special Visit was prompted by the Formal Notice of Concern issued in June 2015. The Special Visit focused on the following issues derived from the Commission letters of June 2015 (Accreditation Visit) and November 2017 (Change of Ownership Approval).

- Strengthen the Quality of Academic Programs
- Focus on Student Success
- Enhance Institutional Research and Planning
- Build Financial Sustainability
- Monitor Differences between Actual and Planned Enrollments
- Continue to Serve Underserved Populations
- Ensure Effective Board of Trustees
- Monitor Shared Services Infrastructure

B. Description of Team's Review Process

Each team member carefully reviewed the USU institutional Special Visit Report (SVR) and supporting evidence. Included in the evidence were two Institutional Assessment Reports (2016 and 2017) as well as tables summarizing the revisions that have been made to Institutional Learning Outcomes (ILOs) and Program Learning Outcomes (PLOs) and the PLO Assessment Schedule. In addition, the team reviewed the Program Review Manual as well as two program reviews (BAM and MSHS). The team also reviewed the Course Guide Template, a sample completed guide, a couple of technology updates, recent Profit and Loss Statements, USU's Financial Long-Range Plan for FY19-FY21, the USU/AGI Service Level Agreement, and AGI Technology Organizational Chart among other evidence.

Team members filled out the team worksheet and submitted it to the assistant chair. The assistant chair compiled the information into one worksheet and distributed it to the team. The team chair and assistant chair held a planning phone conference with the assigned WSCUC staff liaison prior to the team phone conference to review the team worksheet, identify areas of consensus and areas for further discussion, and to set an agenda for the team conference call.

Every team member and the WSCUC liaison participated in the team conference call. The team reviewed the worksheet and added clarification as needed. The team identified areas of consensus and areas of concern; agreed upon additional evidence needed prior to the visit and in the evidence room; and agreed to topic assignments for the visit.

Prior to the Special Visit, a team member visited AGI's headquarters in Phoenix, Arizona. The purpose of the visit was to tour AGI's facilities and meet staff members responsible for overseeing key support via the Service Level Agreement. The visit confirmed that AGI provides the agreed upon services to USU and has staff specifically dedicated to USU.

During the visit the team conducted interviews with individuals from USU and AGI. These included USU president, the provost, associate provost, the COO, the CFO, program deans and directors, the board of trustees, director of institutional research, director of field experience, online course support providers, core and part-time faculty, the board of managers, student success services staff, representatives from each college's curriculum committee, the Faculty Senate academic affairs committee, members of the strategic planning committee, enrollment advisors, academic advisors, and students (undergraduate, graduate and alumni).

During the visit, the team reviewed the following documents in the team room:
Annual Program Assessment Reports, Curriculum Development Handbook, Catalog Review Process Documents, Program Curriculum Maps, Sample MBA Course Syllabi, Program Reviews for MAEd and MBA programs), the Preliminary Results for 2018 Collection: Student Satisfaction Survey, the PLO Assessment Handbook, and AGI and USU organizational charts.

C. Institution's Special Visit Report: Quality and Rigor of the Report and Supporting Evidence

USU's Special Visit Report was facilitated by the president and associate provost.

Members of the USU community, including the board of trustees, the board of managers, administrators, faculty, and staff provided input. The report provided historical context regarding USU's evolution and current status. The report addressed issues of concern in a transparent and forthright manner with evidence to support statements and assertions.

SECTION II – EVALUATION OF ISSUES UNDER THE STANDARDS

A. Issue: Strengthen the Quality of Academic Programs

In its letter of June 24, 2015, the Commission identified the following issues related to the quality of USU's academic programs: Ensure the quality and rigor of academic programs, making certain that the expectations for student learning are appropriate to the degree level; assess the students' achievement of those outcomes, clarifying what is needed to bring students from where they are at admission to where they need to be at graduation (CFRs 2.2, 2.3, 2.4, 2.6); continue the scheduled implementation of the program review and assessment cycle (CFRs 2.7, 4.3); continue to enhance the quality and currency of technology and expand student support services and faculty and staff training to improve online experiences.

Furthermore, in its Approval Letter of November 10, 2017, in response to the Change of Ownership application, the Commission added: Ensure sufficient resource allocations to continue to provide quality programs as enrollments grow. (CFRs 3.4, 3.5)

The review of documents and concomitant interviews demonstrate a community working collaboratively to offer quality programs. Shortcomings in performance are acknowledged and plans have been made to address them. For example, the MAEd is being completely overhauled, and there is the possibility of embedding the teacher certification program within it.

The team found that there has been a significant amount of time and energy devoted to creating an infrastructure (e.g., processes, procedures, templates) to strengthen academic quality. Individual programs are seeking specialized accreditation and that has provided more opportunities to enhance quality. Information systems provided by AGI have added to the currency of technology and to the improvement of online services. The assessment and evaluation of the results of all these changes have just begun, however. Initial assessments of the achievement of ILO and PLO benchmarks demonstrate mediocre results for many programs, although the sample sizes for these evaluations have typically been quite small. Nevertheless, a process is in place for "closing the loop." Faculty resources have been supplemented by advising resources and by technology-based tools (e.g., Brainfuse) that work in concert to support and improve student performance.

The MSN program in Family Nursing Practice is an excellent example of the progress that has been made in strengthening academic quality. The academic portions of the curriculum make use of rubrics and the assessment of learning outcomes. The clinical portion of the program in the second year has been enhanced through immersion lab experiences and through a well-organized clinical placement effort. The program utilizes national predictor evaluations in pharmacology, physical assessment, and pathophysiology. Students must score an 83 or better or repeat the course.

It is evident that senior leadership has designed a comprehensive system for assessing academic quality. Meetings with core and adjunct faculty as well as with students made it clear that all constituencies are taking responsibility for working on this priority. Given how new this effort is, however, the team recommends that USU continue to make every effort to utilize the existing assessment infrastructure of student learning outcomes to ensure the quality and rigor of academic programs. (CFRs 2.6, 4.1) The university has made a commitment to continuous improvement, and it will be a key piece of the effort to grow enrollment in programs through recruitment and retention as well as successful and satisfied graduates.

B. Issue: Focus on Student Success

In its letter of June 24, 2015, the Commission identified the following issues related to student success at USU: Gather, analyze, interpret, and disseminate retention and graduation data across all programs and degree levels, using standard reporting methods. Use the results of the analyses to make changes in policies and practices to improve graduations rates. (CFRs 1.2, 2.10); continue to enhance the quality and currently of technology and expand student support services and faculty and staff training to improve online learning experiences.

USU stated in their SVR that they understood the role of data-based decision-making in improving graduation rates. The institution appears to be gathering the data necessary to establish a solid baseline to begin reporting student outcomes post change of ownership. The head of IR was charged with standardizing the reporting methods, which resulted in refining the quarterly "Student Success Key Performance Indicator Report." This report documents the institution's performance in the areas of retention, persistence, and graduation. It appears that USU has used these reports primarily to track enrollment.

While the student numbers have historically been quite small and many of their newly admitted students are not yet at the expected time to completion, the change in retention rates is promising. The retention rate across all programs increased from 43 percent for the period Fall 2016 – Fall 2017 to 64 percent for the period Fall 2017 – Fall 2018. For the MSN programs the retention rate increased from 61 percent to 80 percent over the same time periods. (CFRs 2.12, 2.13, 3.4, 3.5) The Population Rollover Report indicates that in FY2017, 118 students graduated, and in FY2018, 55 graduated. In FY2017, the average time to completion for undergraduate degree programs was 29 months and for graduate programs was 22 months.

The team encourages the institution to use the WSCUC graduation rate dashboard as a more inclusive method to identify the enrollment, retention, and graduation patterns of all undergraduate students going forward.

In terms of strengthening student support services and faculty and staff training to improve online learning, USU and AGI are taking steps to enhance its customer relationship management system to include what they describe as the “27-risk factors” that could undermine student success. The institution plans to use this information to proactively identify students who demonstrate one or more of the risks factors and provide the appropriate intervention. Because this system has not yet been implemented, it is too soon to determine its validity and impact on student success.

USU provides an array of student support services for its online courses including a clear continuum of student advising, online tutoring and academic support, and library services among others. The continuum of student support begins with initial outreach to students who express an interest in USU. Advisors work with prospective students to determine their interests, and they support students through the enrollment process. A student is then assigned a new student advisor who provides an online orientation designed to immerse the student in the USU academic model and introduce them to all the tools and supports provided in the Learning Management System. New student advisors maintain close contact with weekly communication by email and phone as well as troubleshooting and problem-solving student issues as they arise. When students successfully complete their first course experience, they are paired with an academic advisor who is assigned to them for the remainder of their time at USU. Advisors are trained to be assertive in how they monitor student participation in the online learning environment including working collaboratively with faculty to identify students who may be experiencing academic challenges.

USU has done an exceptional job of providing field placements with a 100-percent placement rate and over 250 placements sites in several states as reported in interviews. This evidence is indicative of strong support for student success even in light of rapid growth. Generally speaking, all students appeared to be pleased with the university, and several students noted the monthly payment plan and the flexibility of online learning as the salient strengths of USU.

Faculty members receive orientations and training to be able to teach online. These services are provided in concert with AGI. In interviews with faculty the team learned that faculty regard the learning management system, D2L Brightspace, as superior to the previously used system. The faculty also reported that they receive excellent orientation and training on the system and receive ongoing support and assistance.

USU appears to have the information, learning management, and customer relationship systems necessary to support student success. However, the university is in the early stages of implementing the new policies, procedures, and practices, and USU will need additional time to assess the effectiveness of its efforts.

C. Issue: Enhance Institutional Research and Planning

In its letter of June 24, 2015, the Commission identified the following issues related to institutional research and planning: Continue to build a robust institutional research capacity and ensure its smooth integration into the organizational structure to enable data-driven decision-makings. (CFRs 4.1, 4.2) Establish protocols for monitoring the progress and outcomes of the strategic plan and for revising the plan's priorities as necessary to achieve institutional goals. (CFRs 4.1, 4.5, 4.6)

Also, the WSCUC 2015 reaffirmation team recognized the need for additional improvement in the area of institutional research and assessment. In particular, the team urged that the collection and analysis of data needed to be further developed to enable sufficient support for decision making and planning. Further, the team stated that it is imperative that the IR function become a significant and pervasive aspect of USU.

The university provided evidence to show that fuller and accelerated integration was accomplished by a new director of institutional research, upgrades in reporting technology, appropriate survey and data instruments, strengthened measurement and decision-making practices, and a dedicated partnership with academic programs. During the visit, the team learned that the sole person responsible for most IR work since the summer 2018 is the institutional researcher provided by AGI as a shared service (this individual is also responsible for IR at Aspen University, also owned by AGI). The institutional researcher produces many of the reports on a key charting tool titled Integration of Data Reporting & Decision-Making by Institutional Level (IDRDMIL) but does not support the university's Strategic Plan Dashboard with the exception of one line. The institutional researcher works collaboratively with the USU associate provost of accreditation and curriculum, registrar, and chief financial officer. For example, a jointly created yearly calendar of reports triggers the data collection needed so that reports are produced on time with appropriate data.

In the SVR, USU characterized its considerable progress in addressing the need for robust institutional research capacity and integration with the IDRDMIL. The chart includes four organization levels vital to data-driven decision-making (strategic, administrative, academic, and student services) populated by the reports available to each level. The institution provided a number of examples of use of student success data, i.e., enrollments, graduation, retention, satisfaction. The team noted that the Population Rollover Report seems particularly promising as USU shared examples of it being used for making adjustments to revenue projections and other budget-related analyses, identifying fluctuations in student enrollment patterns, and targeting advising activity when spotting population anomalies. Annual PLO Assessment Results Reports seem robust and complete at the program level, but it is unclear if and how they are utilized for institutional and college-level planning. Further, neither IDRDMIL nor the university's responses explained the strategies that are employed to integrate decision making among the four levels. There is also little evidence of whether students, faculty, and staff are familiar with the new information systems or if they engage routinely in data review and utilization outside of program review. The massive Annual Institutional Report is described as being used for analysis and action at, again, only the upper levels of the administration and the board.

USU is developing a data warehouse, that will be accessible on Tableau, contain dashboards for multiple areas and will allow for early identification of problems, along with the ability to drill down into the underlying data. The online data warehouse is potentially impressive in its ability to provide data to multiple users, but the team learned from interviews that it is in the “beta stage” and being currently seen only by upper level administrators.

In the SVR, USU described the creation of both an instrument and a process through which the institutional priorities supporting the overarching strategic directions could be effectively tracked: a Strategic Plan Dashboard. The team learned that the currently 2015-2018 Strategic Plan Dashboard is essentially a progress report and the strategic plan Key Performance Indicators (KPIs) were not produced for the current plan. However, USU is currently engaged in developing a new strategic plan guided by a Strategic Planning Steering Committee (SPSC). To date, the SPSC has maintained the extant core values of USU and developed four preliminary strategic pillars of focus, along with their definitions and “support beams”: Growth and Scalability; Relevance; Culture of Innovation; and Quality. Next steps for the committee, after review by the board of trustees, are to first suggest metrics such as milestones, goals, and budget implications and subsequently to build a quarterly reporting dashboard populated with KPIs, accessible on Tableau, and supported by IR. The new strategic plan is anticipated to be completed in the first quarter of 2019, with a focus on scalability, growth of programs, and managed growth. Establishing the next strategic plan is a critical step in the transition from an institution with a short-term focus on gaining financial stability to one with a long-term focus on its mission and growth. The team recommends that USU complete the strategic plan according to the established time frame and establish protocols for monitoring its progress and outcomes. (CFRs 4.1, 4.5, 4.6)

In summary, the shared services IR function is relatively new at USU, beginning as it did in summer 2018. Considerable work has been done toward building a robust institutional research capacity, integrating it into the organizational structure, and providing useful data analytics, but much is left to accomplish. For example, as the university acknowledged in the Special Visit Report, “closing the loop” continues to be a problem. The team urges USU to continue its positive efforts in the IR function.

D. Issue: Build Financial Sustainability

The WSCUC Commission identified numerous issues regarding financial stability in its letter of June 24, 2015, and Change of Ownership Approval letter of November 10, 2017. The issues included: continue to grow enrollments in currently viable programs while improving retention and strengthening student success (CFRs 2.10, 2.13, 3.4); establish realistic budgets based on achievable targets for enrollment (CFR 3.4); continue to reduce the annual budget deficit, while developing plans for long-term financial stability (CFR 3.4), and closely monitor differences between actual and planned enrollments as the marketing processes are rolled out to additional programs (CFR 3.4).

The team that conducted the accreditation site visit in 2015 reported that financial stability arising from low enrollment was an ongoing concern. This concern was due in part to the institution having experienced losses in both 2012 and 2013. A range of tactics aimed at boosting enrollment around the time of that visit proved unsatisfactory. The institution fell short of enrollment targets in 2015 and 2016 and consequently, continued to experience substantial budget deficits in those years. The team report for the 2017 structural change site visit noted a decline in the deficit from FY15 to FY16 that was attributed to expense reduction rather than revenue expansion. Given this history, the Special Visit team was particularly interested in understanding what impact the 2017 change in ownership has had on enrollment growth and financial sustainability. (CFR 3.4)

USU's budget provided for the structural change visit included the projection of substantial operating losses for the twelve months ending in December 2018. Based on interviews during the Special Visit, USU leadership now anticipates that revenue over 2018 will be 65 percent of the budgeted amount and actual operating losses will be unfavorable to budget. (CFR 3.4)

USU adopted a new fiscal year definition of May 1-April 30 to align with AGI's fiscal year. The institution experienced an unfavorable budget variance for the first six months of FY19 (i.e., May 1, 2018

– October 31, 2018). If enrollment grows as forecasted, USU and AGI leadership anticipate that the institution will start generating operating surpluses in the second quarter of FY20. (CFR 3.4)

A Service Level Agreement is in place between USU and AGI that commits AGI to providing a range of services outlined below in section H. This arrangement allows USU to enjoy cost efficiencies beyond what it could achieve on its own. With many services now provided by AGI-based systems, USU's systems infrastructure costs have decreased. The change in ownership has resulted in systems migrations, including the student information system, learning management system, customer relationship management system, corporate partnership system, and accounting system. As migration to new systems proceeds, any legacy system still running in parallel with a new system will be phased out, platforms will be fine-tuned, and USU users will become more adept with new systems. Thus, further cost savings can be expected to materialize. (CFRs 2.12, 2.13, 2.14, 3.4, 3.5)

USU leadership also reported that efficiencies were gained with their shift to zero-based budgeting. The team learned through interviews that the process to develop the FY20 budget was inclusive and a positive educational experience for managers, generally enhancing their understanding of what their unit was spending and why. (CFR 3.4)

The monthly payment plan (MPP) allows domestic students not receiving financial aid to pay for their education at USU by making a relatively modest fixed payment every month. Over 60 percent of students have selected the MPP. To cover the full cost of their degree program, students continue to make monthly payments after graduation. The team learned USU has a 2.3 percent bad debt among students who participate in the MPP. Numerous USU administrators, trustees, and staff members told the team that the MPP option greatly enhances the institution's ability to advance its mission of providing educational opportunities to underserved groups. A large majority of current MSN-FNP students have chosen the MPP option to pay tuition. Tuition revenue is recognized for financial reporting purposes at the time services are rendered. The team inquired whether the MPP program might create cash flow challenges since a portion of the tuition payments would arrive months or years after the institution paid the instructional expenses. AGI leadership confirmed that the gap between cash inflows and outflows arising from the MPP program was small and could be comfortably managed. (CFRs 3.4, 4.7)

The team recommends that USU continue to closely monitor its financial performance relative to plan to ensure that realistic budgets based on accurate estimates of enrollment are developed. (CFR 3.4)

E. Issue: Monitor Differences between Actual and Planned Enrollments

In its Change of Ownership approval letter of November 10, 2017, the Commission encouraged the institution to: closely monitor differences between actual and planned enrollments as the marketing processes are rolled out to additional programs. (CFR 3.4)

The pattern of total enrollment at USU is presented in Table E – 1. Because new student enrollment is greatest in the fall, the active student body headcount reaches its highest annual level during Fall terms.

Table E - 1

Year	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018
Headcount	255	351	346	247	357	622

Total student enrollment increased from 357 in Fall 2017 to 622 in Fall 2018. While this active student body headcount is below the budgeted enrollment target of 959 for September 2018, significant progress in increasing enrollment has been made. Over January – September 2018, the institution had 486 new enrollments. At the time of the visit, leadership explained that they expected enrollment to double again over the next year and reach roughly 2,000 students by the end of FY20 (i.e., April 2020). (CFR 3.4)

The report for the structural change visit notes that efforts at that time to generate student leads using external vendors were disappointing and expensive. After the change in ownership, USU adopted AGI's approach of using digital marketing to generate leads and implemented the monthly payment plan (MPP) option to offer students a more affordable method of paying tuition. USU leadership also believes that it is now more deliberate in allocating resources across its programs, especially regarding which programs to target for expansion and which programs to suspend. (CFRs 2.12, 2.14, 3.4)

Following an analysis of the competitive strengths of USU programs, recruiting resources were shifted toward growing enrollments in the MSN-FNP program, with a more limited focus on the MBA and MAEd programs. A decision was also made to terminate the MSHS program and terminate partnerships that had been established to recruit non-degree seeking students. Enrollment in the MSN programs grew from 24 percent of total enrollment in 2013 to 78 percent in 2018. In 2018, the MBA and MAEd made up 9 percent and 4 percent of total enrollment, respectively. Notably, marketing and recruiting expenses, on a per-student basis, have fallen dramatically since the change in ownership. (CFR 3.4)

The institution has taken steps to monitor and disseminate enrollment patterns on a monthly basis. These include producing a monthly Population Rollover Report since October 2017 that tracks students entering and leaving the student body and an "Annual Institutional Report" that presents detailed enrollment, persistence, retention, and graduation rates by program and demographic subcategories. USU administrators explained that variances in enrollment are tracked by program on a monthly basis. This information is then used to adjust revenue projections and evaluate the return on marketing spending. (CFRs 3.4, 3.6)

Along with recruiting new students, enrollment levels are also determined by retention rates. The change in ownership led to a change in USU student advising structure. New student advisers guide students through the registration process for their initial classes. Advising responsibilities then shift to academic advisers who provide support with curriculum and process related matters. USU leadership and advisors explained that bringing the recruiting function in house allows the institution to better screen and identify prospective students who can succeed at USU. The Population Rollover Report is used to detect unexpected data patterns and prompt interventions by advisers. Advisers reported to members of the team that the implementation of the new technology has allowed them to more effectively manage leads and advisees.

USU's projections for a financial turnaround are based upon continued strong enrollment growth. The USU leadership anticipates that enrollment will double again over the next year. While the MPP option for paying tuition and the AGI recruiting techniques proved successful in boosting enrollments in the MSN-FNP program, they have not been employed extensively in other programs. The institution will need to closely monitor actual enrollments against targets in other programs prioritized for expansion and adjust future enrollment and revenue projections accordingly. The institution has submitted a substantive change application to offer a bachelor's in information technology which, if projections are achieved, would add 144 new students in the first year of the program. (CFRs 3.4, 3.5)

F. <u>Issue: Continue to Serve Underserved Populations</u>

As part of its response to issues identified in the Change of Ownership Approval Letter of November 10, 2017, the Commission encouraged USU to: Continue to focus on USU's mission of providing educational opportunities to underserved populations. (CFRs 1.1, 1.4)

In its institutional report, USU reiterated this commitment as part of its mission and wrote that in the current strategic planning cycle, the institution has reaffirmed this commitment. However, the institutional report provided little evidence in support of this assertion. Indeed, instead of reaffirming the original commitment of the institution to students of color and, in particular, to Latinx students, the institutional report seemed to define underserved students as "students who began their undergraduate education, accumulated some credits, but never completed their degree." Therefore, the team decided to ask of all those persons interviewed who they thought these underserved populations included, although it should be noted that the matter often was raised by university representatives before the team could even ask the question – and it was a feature of USU that was raised by virtually every stakeholder group.

The respondents provided a variety of definitions of undeserved students. Students who are economically disadvantaged were most frequently referenced. This appears to be one of the reasons the institution seeks to lower tuition and implement the MPP, which is viewed with strong enthusiasm. Students from underrepresented racial and ethnic groups are sometimes referred to as a stand-alone category of the underserved or included in the socioeconomic population. In addition, students who have encountered various challenges in their previous educational experiences are considered underserved. These groups may be adult learners, working parents, rural students, first generation students, or people disrespected in previous educational experiences. The demographic composition of each of the university's programs reflects this broad definition of diversity among the underserved.

The core faculty stressed the "culture of caring" that exists in the institution in terms of relationships and attitudes of faculty and staff toward students. The board of managers and board of trustees stressed the impact of the Monthly Payment Plan on making education feasible especially as preparation for professional careers with good earning potential.

The team came away from the visit appreciating the commitment of the university to this expanded or redefined description of the underserved. One concern is that such an inclusive description may lead to challenges in successfully marketing the various programs. Different recruitment channels and strategies may be needed to reach differing and diverse target audiences.

G. <u>Issue: Ensure Effective Board of Trustees</u>

As part of its response to issues identified in the Change of Ownership Approval Letter of

November 10, 2017, the Commission encouraged USU to: ensure the Board of Trustees continues its active and independent role in guiding the institution.

Since 2015, the institution has expanded the board from five members to 10. The board is comprised of eight independent members and two members affiliated with AGI (CEO and CAO of AGI). During the site visit, the team met with the eight independent members of the current 10-board members (having met separately with the AGI CEO and CAO who constitute the Board of Managers).

During the meeting with the USU independent board members, the site visit team focused on assessing the board independence and working relationship with AGI, particularly the owner and Board of Managers. The board cited several factors that best explain the continuity they have maintained since the change of ownership, and their continued independence in governing the university. First, the majority of the current members are independent, with no ties to AGI, and they will be adding a new board member in the spring who will be independent and raise the total number to their goal of 11 - 9 of whom will be independent. Second, they stated there had been no noteworthy changes to the bylaws since the change of ownership. Third, the Service Level Agreement, approved by the board in January 2018, is aligned with the WSCUC's Agreements with Unaccredited Entities Policy. Finally, the members noted a trip to AGI's headquarters after the change of ownership that confirmed AGI's commitment to the mission and vision of USU and expressed a belief that AGI has been very consistent in behavior and values over the course of the last year.

Board members noted that in the past, USU leadership had consistently established very ambitious and unrealistic enrollment and program development goals given the institution's limited resources. The current board expressed confidence in the commitment they have from AGI to provide the fiscal and support resources necessary to position the institution for success.

The board described the institution as focused on academic quality and student success. They emphasized the innovation that is unfolding at USU, with investments in infrastructure that could make the institution a model worth replicating. Finally, they referenced the faculty and their resilience during tough times, student satisfaction and career placement, and monthly payment plan.

The board chair is a seasoned board member and has considerable experience working under a parent organization that provides support in the form of shared services. Also, other board members have the requisite experience necessary to fulfill their role. They collectively expressed a strong commitment to support the institution's growth and advancement. The board seems to understand its fiduciary duties, and board members expressed confidence in maintaining a healthy and collaborative working relationship with ownership and AGI management.

H. Issue: Monitor Shared Services Infrastructure

As part of its response to issues identified in the Change of Ownership Approval letter of November 10, 2017, the Commission endorsed the following recommendation from the site visit report: Monitor the emerging shared services methodology /infrastructure to ensure that the institution's value of student-centric support is maintained. (CFRs 2.13, 3.5)

As part of the proposed acquisition of USU operating assets and liabilities by Aspen Group, Inc. (AGI), the WSCUC Structural Change Site Visit Team explored the nature of the planned shared services model in 2017. The team noted that USU personnel who were affected by the model expressed satisfaction with AGI's transparency, a positive mindset about the ownership transition, a realistic view of probable glitches, and tremendous learning about improving the USU infrastructure, especially through the implementation of new technology. There seemed to be no student concerns with the potential ownership change. Finally, the team noted that USU staff felt that they could continue with their student centric focus and that high tech and high touch would not be contradictory. Nonetheless, the team believed that the Shared Services Model needed to be monitored for effectiveness and retention of a student-centric value.

The USU Special Visit Report was effusive in articulating the helpful assistance of AGI in terms of both systems and personnel. The policies and processes that were highlighted included Student Information System, Learning Management System, D2L Brightspace, Customer Relations Management, Monthly Payment Plan, Corporate Partnership System, and Accounting System. AGI personnel who were described as particularly supportive contributors to the USU infrastructure included the institutional researcher, technology team, chief academic officer, vice president of student experience, librarian, director of academic support, and the marketing team.

The Service Level Agreement (SLA) is intended to provide the "infrastructural support necessary to enable USU to maintain complete focus on its primary reasons for being: teaching and learning" (SLA, page 1) and was insisted upon by the board of trustees. The SLA articulates the vision of the relationship between USU and AGI with four overarching goals: (1) integrate people, processes, and technology; (2) leverage resources, institutional knowledge, developing skill sets, and technology; (3) mitigate risk; and (4) reduce unnecessary costs.

The service areas provided by AGI are outlined in the SLA including (1) outreach and recruitment (e.g., marketing, lead management, branding, website development and maintenance), (2) providing and managing a learning management system, (3) internal compliance support and faculty support services, (4) library services and database subscriptions, (5) human resources, legal compliance, institutional research, and (6) tuition collection and credit-card processing. The Agreement states, "The university remains committed to ongoing and transparent communications with its colleagues at AGI as well as to periodically evaluating the efficacy and quality of the services offered through a Key Performance Indicator (KPI) Chart measured *quarterly* (emphasis added)" (SLA, page 1). The USU Special Visit Report stated that the following five AGI tasks were reviewed and monitored regularly: Learning Management System; Faculty Support; Library Services and Database Subscriptions; IR; and Student Facing Technology. The SVR also indicated that an assessment instrument measuring the effectiveness of the tasks listed would be developed by the end of September 2018, and the first formal quarterly review would be undertaken in October.

The team learned that not all services outlined in the SLA have been fully implemented. For example, the human resource function is described as “embryonic.” The team also discovered that many shared service personnel are dispersed geographically; technology, marketing, enrollment, and student advising personnel are located most typically in Phoenix, New York City, and Canada. However, the responses articulated by USU personnel interviewed by the team to the AGI shared services and providers were overwhelmingly positive for nearly all services. The USU cabinet, core faculty, and academic affairs and operational administrators concurred that USU now has opportunity for improvements and growth given AGI’s targeted resources and their marketing and enrollment services, as evidenced in the growth of the MSN-FNP program. The board of trustees highlighted technology and new advising systems as noteworthy improvements. Administrators reported working with AGI personnel on a weekly basis and, in some cases, on a daily basis. Many extolled the USU/AGI culture of minimal student debt. The team commends USU for the provision by AGI of critical financial support and infrastructure services including advising, marketing, enrollment, data analytics, technology and early warning model for student success and also for the commitment to creating an affordable path to higher education through innovations such as a monthly payment plan.

However, personnel assignments and responsibilities were not articulated clearly or completely. The team could not determine those USU positions responsible for managing discrete aspects of the SLA and how USU manages a situation whereby AGI underperforms in one or more shared services. USU provided little or no evidence of the success of the infrastructure support provided by AGI other than through general comments and anecdotal examples. Most importantly, no formal evaluation of shared services has taken place and evidence of the five “regularly reviewed and monitored” areas named above was not presented. Instead the Service Level Agreement Quarterly/Annual Report: CY2018 is a quarterly dashboard report of progress made in implementing various elements/stages of shared services. It is not an assessment tool or a formal evaluation of the efficacy and quality of services. USU expressed an aspiration to conduct such an evaluation, build a true dashboard with definitions and rubrics, and embed the SLA in the new strategic plan in the future.

Without formal and systematic review of the shared services, it is unknown whether or not the four goals are being met. For example, one of the purposes of the SLA is to help reduce cost, but it is not clear to the team to what extent this goal has been or will be realized. Further, without regular/quarterly review, the team wonders how USU and AGI can make adjustments and improvements on an ongoing basis based on data. Ultimately, USU places a heavy emphasis on the relationship with AGI but has not provided documented evidence that AGI has the capacity to provide all of the services outlined in the SLA or has fulfilled those responsibilities effectively and efficiently. The team recommends that USU optimize the implementation of the Service Level Agreement through regular assessment, including all stakeholders, of the efficacy and quality of services provided. (CFRs 2.13, 3.5)

SECTION III – OTHER TOPICS, AS APPROPRIATE

No other topics arose during the Special Visit.

SECTION IV – FINDINGS, COMMENDATIONS, AND RECOMMENDATIONS

Overall, the team found that the institution's administrative, staff and faculty team is committed to improving the financial health of United States University. Interviews revealed that the institution views the change in ownership and service learning agreement with AGI as a stabilizing force that is allowing them to provide high quality educational opportunities to students with strong support services. As well, the faculty are able to engage in curriculum development and improvement and program review in ways that will lead to a cycle of continuous improvement of their academic programs.

The team also found that the financial health and well-being of the institution continues to be a serious concern. Projected financial growth is highly dependent on growing enrollment and a pattern of unrealistic enrollment projections, which has been endemic at the institution, appears to be continuing. Nonetheless, there is a palpable positive energy among everyone at the institution and additional time may be the key factor.

The team commends USU for the following:

1. A high level of enthusiasm, energy and optimism regarding the future of USU at all levels of the organization, including the Board of Trustees, Board of Managers, administrators, faculty and staff.
2. The provision by AGI of critical financial support and infrastructure services including advising, marketing, enrollment, data analytics, technology and early warning tools to increase student success.
3. Established policies and processes for the assessment of student learning outcomes including academic program review.
4. Candor and openness demonstrated by the institution towards WSCUC in responding to previous multiple recommendations from the Commission.
5. A commitment to creating an affordable pathway to higher education through creative payment options such as a monthly payment plan.

The team recommends that USU:

1. Evaluate and set realistic enrollment targets based on market analysis and resource allocations necessary to sustain program quality. (CFR 3.4)
2. Closely monitor financial performance relative to plan to ensure that realistic budgets based on accurate estimates of enrollment are developed. (CFR 3.4)

3. Optimize the implementation of the Service Level Agreement through regular assessment, including all stakeholders, of the efficacy and quality of services provided. (CFRs 2.13, 3.5)
4. Complete the strategic plan and establish protocols for monitoring its progress and outcomes. (CFRs 4.1, 4.5, 4.6)
5. Utilize the existing assessment infrastructure of student learning outcomes to ensure the quality and rigor of academic programs. (CFRs 2.6, 4.1)
6. Clarify the decision-making process for the selection and development of the academic program portfolio including degree levels and content areas. (CFRs 3.7, 3.10)