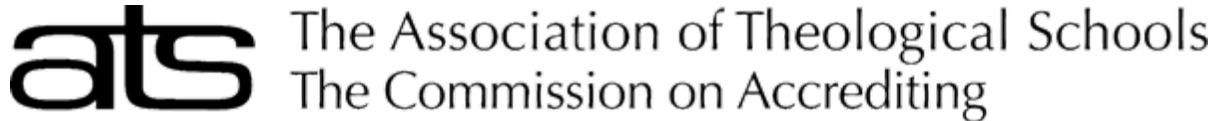


From: [ATS Accrediting](#)
To: lwalrond@nyts.edu; [Barbara Mutch](#)
Cc: thenry@nyts.edu
Subject: [COAATS] Action Letter, June 2024
Date: Friday, June 7, 2024 12:45:22 PM
Attachments: [image001.png](#)



June 7, 2024

ATTN: LaKeesha Walrond
New York Theological Seminary
Union Theological Seminary
3041 Broadway at 121st Street
New York, NY 10027
via email only

Dear President Walrond,

The Board of Commissioners met in Pittsburgh, Pennsylvania, on June 3-4, 2024, and included on its agenda New York Theological Seminary's interim report required by the Board in June 2023 demonstrating why accreditation should not be withdrawn. This report should demonstrate that the school meets Standard 10.3 and has “sufficient and stable financial resources to achieve its mission with educational quality and financial sustainability.” The report should include the FY 2022 and FY 2023 Audit Reports, the school's analysis of its FY 2022 and FY 2023 operating revenues and expenditures, updated budget projections for FY 2024 and FY 2025, and a report on the school's progress toward balancing its operating budget, increasing its reserves, and replenishing its investments. Failure to submit a satisfactory report will lead to withdrawal of accreditation (*Policies and Procedures*, III.J).

In June 2018, the Board issued a warning on financial resources (formerly Notation N8.b, “*The institution's financial resources are not adequate for long-term institutional vitality and there is no credible plan to address this issue in a timely and effective manner*”). In June 2020, the warning was extended for good cause for one year. In June 2021, the Board imposed probation for a period of 24 months, as a result of the school not meeting Standard 10.3 on Financial Resources, specifically, being at risk of not having “sufficient and stable financial resources to achieve its mission with educational quality and financial sustainability” (per *Policies and Procedures*, III.H). At the same time, a teach-out plan was required and the Board authorized a focused visit in spring 2023 to make a recommendation regarding whether probation should be removed or an adverse action taken.

In June 2022, the Board approved the relocation of the school *from* 475 Riverside Drive Suite 500, New York, NY *to* 475 Riverside Drive Suite 650, New York, NY and exempted the school from a focused visit in light of the proximity of the new location to the former and the use of this space for administrative and faculty offices only. The teach-out plan was received and a teach-out agreement with one or more institutional partners to address the program completion needs of every student enrolled in an ATS-approved program was required by November 1, 2022. The teach-out agreement(s) would need to meet the criteria described in *Policies and Procedures*, III.L.3. The school did not complete the teach-out agreement by November 1, 2022 and the Board postponed the report until April 1, 2023.

In June 2023, the Board received teach-out agreements made with three ATS schools and a modified transfer of credit agreement with Union Theological Seminary (MDiv and DMin programs). A teach-out agreement for the MARE program was then required since the school named to teach-out these students was no longer admitting students to master's programs. In November 2023, the final teach-out agreement was accepted.

Also in June 2023, following the focused visit regarding probation, the Board issued a Show Cause Order, requiring a report by April 1, 2024 demonstrating why accreditation should not be withdrawn. The report was to demonstrate that the school meets Standard 10.3 with "sufficient and stable financial resources to achieve its mission with educational quality and financial sustainability." The report was to include the FY 2022 and FY 2023 Audit Reports, the school's analysis of its FY 2022 and FY 2023 operating revenues and expenditures, updated budget projections for FY 2024 and FY 2025, and a report on the school's progress toward balancing its operating budget, increasing its reserves, and replenishing its investments. The Board informed the school that failure to submit a satisfactory report would lead to withdrawal of accreditation (*Policies and Procedures*, III.J). As of June 3, 2024, the school had neither responded to the Show Cause action nor submitted the required report.

In February 2024, the Board approved the relocation of the school's main campus *from* 475 Riverside Drive Suite 560, New York, NY *to* Union Theological Seminary (3041 Broadway at 121st Street, New York, NY) and authorized a focused evaluation visit to the new campus location (visit anticipated spring 2024). The school refused to receive the Board-authorized focused visit.

The Board has exhausted the means by which it ensures that the school meets the *Standards of Accreditation*. The Board of Commissioners has determined that the school does not meet Standard 1.7 regarding "responding accurately and punctually to accreditation-related requests from the Board of Commissioners." Furthermore, and as a direct result of this failure to respond to the accreditation request regarding Show Cause why accreditation should not be withdrawn, the Board of Commissioners is left to conclude that the school does not meet Standard 10.3 regarding "sufficient and stable financial resources."

After reviewing the information in light of the pertinent Commission [*Standards*](#) and [*Policies and Procedures*](#), the Board voted:

1. To **withdraw accreditation** (see *Policies and Procedures*, III.J.1), noting that teach-out agreements were accepted in February 2024.
2. To vacate all unfulfilled actions previously required by the Board of Commissioners.
3. To terminate the school's membership in the Commission on Accrediting (see *Bylaws* 2.13.a).

NOTE: [Actions #1-#3](#) (above) are effective **June 21, 2024**—thereby allowing sufficient time from the receipt of this notification for any initial request for an appeal (see ATS Commission [*Policies and Procedures*](#), VII.A and VIII.B). As stated in VIII.B.1, "An appeal involves a formal request from the school to the Board to convene the Appeals Panel (see VIII.B.3-4) to reconsider the Board's decision to deny [see II.B] or withdraw [see. III.J] accreditation. The school must state its reasons for making an appeal and provide documentation supporting that appeal (see VIII.B.2). The school has two weeks from the time it was notified of the action to submit an official letter of appeal (signed by the school's chief executive officer or designee) and two more weeks to submit specific documentation supporting its appeal." Any letter of initial request for an appeal is to be addressed to the Board of Commissioners and submitted in care of the Accrediting Records Coordinator (accrediting@ats.edu).

The school is reminded that it must disclose its accreditation status publicly on its website and in appropriate documents such as its catalog (VII.A.6). If the school has received an adverse action

(i.e., withdrawal of accreditation), that information must also be included in the school's public statement of accreditation and disclosed to all current and prospective students **within seven business days** of the effective date of that action (see III.J, VI.A.5, and VIII). The school is to provide evidence to the Commission (accrediting@ats.edu) that these disclosures have occurred by **July 2, 2024** (e.g., date stamped screenshots, letter communiques, etc.).

Please contact me directly at mutch@ats.edu with any questions.

Sincerely,

Barbara Mutch
Senior Director of Accreditation

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The Association of Theological Schools | The Commission on Accrediting
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