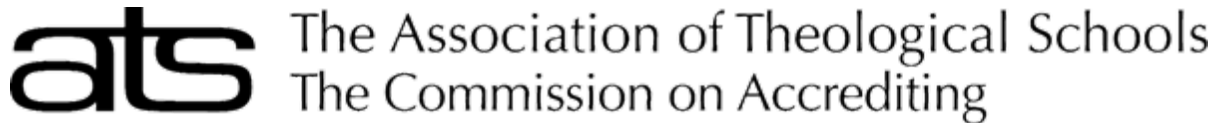


**From:** [ATS Accrediting](#)  
**To:** [ghagiya@cst.edu](mailto:ghagiya@cst.edu); [Barbara Mutch](#)  
**Cc:** [adreitcer@cst.edu](mailto:adreitcer@cst.edu); [mfroelich@cst.edu](mailto:mfroelich@cst.edu)  
**Subject:** [COAATS] Action Letter, February 2026  
**Date:** Friday, February 6, 2026 11:24:54 AM  
**Attachments:** [image001.png](#)

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February 6, 2026

ATTN: Grant Hagiya  
Claremont School of Theology  
10497 Wilshire Boulevard  
Los Angeles, CA 90024  
*via email only*

Dear President Hagiya,

The Board of Commissioners met in Pittsburgh, Pennsylvania, on February 2-3, 2026, and included on its agenda Claremont School of Theology's petition to offer the Doctor of Philosophy (PhD) degree program.

The school intends to replace its approved PhD (Practical Theology) and PhD (Religion) programs with a single newly designed PhD program, reducing the total number of tracks or concentrations from the previous nine to seven, thereby better aligning faculty availability and strengths with curricular needs. The new program requires 50 credits, 16 of which serve as a common core for students in all tracks, thereby improving capacity for educational evaluation. (The previous PhD programs were designed with curricular independence in each track making meaningful educational evaluation out of reach.) The dissertation is awarded two credits and the remaining 32 credits consist of track-specific requirements and electives. Current PhD students will complete the programs into which they were admitted and the programs will be discontinued once no students remain. New students will be admitted to the new PhD. The degree was approved by WASC Senior College and University Commission (WSCUC) in spring 2025.

Program learning outcomes and nomenclature are appropriate for this advanced academic degree and well aligned with the mission and ethos of the school. A proposed PhD checklist demonstrates core courses devoted to providing a foundation in research methodologies, information literacy, a teaching colloquium to strengthen instructional skills, a doctoral writing lab, required exams in two research languages, comprehensive exams, a dissertation, and an oral defense, thus aligning with Standard 5.14.

Measures of educational evaluation include the dissertation (summative), signature assignments and mid-semester progress reports (formative), evaluation of the oral defense (direct), and student course evaluations and a colloquium survey (indirect). Program assessment will follow a four-year cycle with one program learning outcome assessed each year. Examples from other programs were provided to show how improvement might take place, although these seemed to be only *recommendations* for improvement rather than evidence of actual programmatic changes effected as the result of broad-based analysis and “closing the loop.”

After reviewing the information in light of the pertinent Commission [Standards](#) and [Policies and](#)

[Procedures](#), the Board voted:

1. To approve the Doctor of Philosophy degree program (see Standards 5.11-16).
2. To *exempt* the school from a focused evaluation visit since this new degree is in a category for which the school is already approved (see *Policies and Procedures*, III.D.1).

In a separate action, the Board also considered the school's petition involving a five-year educational experiment where at least half of PhD coursework is not delivered on campus.

In June 2025, the school was granted approval for a five-year educational experiment to offer the school's two existing PhD programs as educational experiments with reduced residency and a flexible, largely online delivery modality as an exception to Standard 5.15. The school wishes to deliver the school's redesigned PhD program with the same flexible options to accommodate students for whom travel is cost-prohibitive and for whom obtaining an international student visa is becoming increasingly difficult. The school offers courses in four modalities: online asynchronous, remote synchronous, hyflex, and in-person intensives. While the school anticipates continuing to require at least some intensive courses, the school states that the proposed experiment "would allow us to imagine our PhD offerings with greater flexibility, and would be especially beneficial for international students and those whose family, work, or health situations make travel difficult." Populi is the LMS. Library resources are fully available in online formats. The newly designed PhD program offers significant improvements to ensure more effective educational evaluation. No additional costs will be incurred.

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

3. To grant approval for a five-year educational experiment to offer the school's new PhD program as an educational experiment via a flexible, largely online delivery modality as an exception to Standard 5.15, where half or more of the PhD residency requirement will be delivered in remote synchronous modality.
4. To require two reports (by the 1<sup>st</sup> of November 2028 and 2031), documenting how students in the PhD program (including graduates) are meeting/have met the expectations associated with the standards to which this experiment applies. In its final report, the school must either notify the Board that it is terminating the experiment (if the results are negative) or request that the experiment be changed to an ongoing exception (if the results are positive). If the latter, the Board will review the results of the experiment to determine whether to terminate it or continue it as an ongoing exception (*Policies and Procedures*, IV.G).
5. The school is to note this experiment on its website (where it cites its accredited status with the ATS Commission on Accrediting) using the following language: In February 2026, the Board of Commissioners approved the school's PhD and approved a five-year experiment to offer this degree through a reduced-residency mixture of online asynchronous, remote synchronous, hyflex, and in-person intensives.

In a separate action, the Board also considered the school's interim report required by the Board in February 2024 related to the warning on financial resources, documenting progress toward financial sustainability, including a financial plan that is realistic, holistic, and sustainable with a credible plan to address any deficiencies going forward. The school's FY 2023 and FY 2024 audits, along with any management letters (if available), must be appended to the report. The report should also address how the \$7.7M arbitration award will be used and the role of the board in planning and governance related to the financial crisis. The school must include in this report the information required by the fifth and final quarterly report, namely, clear data of the school's cash flows from operations, investments, and debt, as well as analysis of the effectiveness, however provisional, of the strategies and initiatives being undertaken by the school to address its resource deficiencies. The most recent

audited financials and management letter, if available, should also be included as part of the evidence.

The Board is well aware of the school's longstanding financial struggles. Over the last 21 years, the Board has required two focused visits, issued two warnings (one formerly known as a notation), imposed probation, and required multiple reports – all in relation to financial sustainability. Many of these were accompanied by threat of adverse action if insufficient progress was made. The last time the school was reaffirmed for the maximum accreditation period of ten years was in 2004. In 2014, the school's accreditation was reaffirmed for seven years due to the issuing of a warning (notation) on finances, and in 2024, the reaffirmation period was only for five years “because of the serious financial situation of the school that includes erosion of the endowment, substantial debt burden, and projected years of operating deficits...also ongoing concerns in the areas of strategic planning, evaluation, and governance.” In July 2025, WASC Senior College and University Commission (WSCUC) voted to place the school on probation regarding financial resources, governance, and planning.

In response to this warning on financial resources issued by the Board in 2024, the school submitted a report that took the form of a plan for the future rather than documenting progress made in gaining financial sustainability. Stated goals include increasing the endowment from \$15 million in 2025 to \$35 million in 2035, increasing tuition revenue from \$5 million in 2025 to \$18M in 2035, achieving balanced budgets by FY 2027, achieving positive operating surpluses by FY 2030, retiring existing debt by 2030, and growing enrollment from 200 students in 2025, to 600 only five years later, and then 700 by 2035. While these are all appropriate financial and enrollment goals, achieving such lofty goals in light of past trends is, in the perspective of the Board, speculative. Moreover, the audit reports investments in the amount of \$850,000 (and not \$15M) and Note 2 in the most recent audit identifies \$14,851,243 as split-interest agreements from which the school is obligated to pay out donors over time and thus are not considered available or liquid assets. Therefore, it appears to the Board that the endowment would more accurately be considered \$850,000, rather than the larger amount.

A main driver of the enrollment growth and financial improvement is based upon the creation of Claremont International University, which the school describes as a parallel institution offering non-theological, non-religious degree programs emerging from its partnership with Yalong Group, LLC. While the school did not reference its prior efforts to achieve financial equilibrium through the creation of Claremont Lincoln University (referenced in the school's accrediting history September 2012), the Board would have appreciated knowing how the plan to create Claremont International University differs significantly from the plan to create Claremont Lincoln University so that it may be more able to assess the credibility of this major element of the financial plan.

Of further concern to the Board is what appears to be a significant reliance on existing staff doing additional administration and/or teaching for stipends (see Note vii on Proposal for the Creation of Claremont International University (Yalong Partnership)). This causes the Board to question whether the school has a core of employees that are sufficient in number and fairly compensated to achieve the school's mission (see Standard 10.1).

As evident above, the Board also reviewed the FY 2025 audit. The audit reflects some changes resulting from the sale of property and operational changes.

First, assets declined from \$30 million to \$19 million due to the sale of property. Liabilities declined from \$16.75 million to \$8.8 million due to the reduction in unearned revenue related to the Yalong transaction and reduction in notes and loans payable. Net assets declined by \$3.06 million due to FY 2025 operations and the sale of the property.

Second, in FY 2025, the school had a change in net assets of negative \$3 million, which included

three infrequent items – loss on disposal of the property of \$4.87 million, a gain on settlement of \$1.24 million, and a refund from US Treasury of \$1.06 million. These three infrequent items netted to \$2.57 million of the change, leaving about \$490,000 in loss from operations (negative total change in net assets of \$3.06 million less the net \$2.57 million in infrequent items equals approximately \$490,000 from operations).

Third, the audit indicates that the school has accumulated borrowings of approximately \$17.5 million from the endowment. In addition, the school has notes and loans payable to Methodist conferences totaling nearly \$2.5 million, and these payables are due in FY 2026.

The report did not appear to address the matter required by the Board of how the \$7.7M arbitration award will be used. Neither did the report provide an analysis of the effectiveness, however provisional, of the strategies and initiatives being undertaken by the school to address its resource deficiencies, since all plans only began to be implemented in 2025. The role of the board in planning and governance related to the fiscal crisis was taken up in the required report on planning and evaluation and will be addressed there.

While the Board appreciates the work that the school has done in response to the multiple challenges it has faced over many years, the *Standards of Accreditation* do not allow for a school to not meet the Standards for ten years, which is the projected length of time needed for the school to become a financially sustainable institution according to this interim report on the issued warning.

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

6. To receive the report required in February 2024 related to the warning on financial resources.
7. To impose probation for a period of 24 months (February 2026 to February 2028), as a result of the school not meeting the following Commission *Standard* (per *Policies and Procedures*, III.H):
  - Standard 10.3. The school has not demonstrated sufficient and stable financial resources to achieve its mission with educational quality and financial sustainability. The school must submit a report by the 1<sup>st</sup> of November 2027, documenting significant progress toward financial sustainability, including progress in implementing the recently submitted financial plan that is "realistic, holistic, and sustainable." The school's most recent audit, along with any management letter, must be appended to the report. In addition, the report should include updated budget projections for FY 2028, FY 2029, and FY 2030.
8. To require the school to submit a teach-out plan by the 1<sup>st</sup> of July 2026, given that probation has been imposed. This teach-out plan must address each of the five criteria included in *Policies and Procedures*, III.L.2.
9. To authorize a focused visit prior to the end of the period of probation (fall 2027) to make a recommendation regarding whether the Board of Commissioners should remove probation or take an adverse action, i.e., withdrawal of accreditation (see *Policies and Procedures*, III.J).

In yet another separate action, the Board also considered the school's notification of action taken by WASC Senior College and University Commission (WSCUC), received July 11, 2025, to place the school on probation due to noncompliance related to financial resources.

Probation was imposed because WSCUC determined that the institution has serious issues of noncompliance with WSCUC Standards of Accreditation related to financial stability. WSCUC has conducted six separate visits focused on financial sustainability over the last decade. "Multiple efforts to achieve fiscal stability were examined during those visits... including joining Claremont Lincoln University, merging with Willamette University, and selling its campus and finding an

alternative site. To date the institution has been unable to improve its financial standing.”

According to *Policies and Procedures*, III.M.2, “Whenever the Board learns that an accredited member school (or larger institution of which a member school is a part) is the subject of another agency’s ‘non-compliance’ action (warning, probation, or show cause) or an adverse action (denial or withdrawal of accreditation) by another recognized agency, the Board will promptly review that school’s accreditation to determine if it should also issue a public sanction or take an adverse action. The prompt review will occur whether the other agency’s action is pending or final. The review typically involves the Board authorizing a focused evaluation visit (see III.D) and/or requiring a report (see III.E).”

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

10. To acknowledge notification that the school has been placed on probation by WASC Senior College and University Commission (WSCUC), effective July 11, 2025.
11. To take no action at this time in light of the Board’s own independent actions taken during its February 2026 meeting.

In yet another separate action, the Board also considered the school’s interim report required by the Board in February 2024 regarding planning and evaluation. The report should demonstrate how the school evaluates in a regular and sustained manner key educational and institutional outcomes and engages appropriate stakeholders. The report should also demonstrate how the findings are used to inform educational improvement and effectiveness (see Standards 2.6 and 2.8).

One year after the Board required the school to submit this report on planning and evaluation, the school established the Office of Institutional Research and Planning to provide oversight for this area of previously identified concern. The Board notes the “implementation of an annual assessment cycle,” but is confused by the statements that “*programs* review learning outcomes, gather direct and indirect evidence, analyze results, and create action plans for improvement” and “*programs* confirm or refine learning outcomes...” The Board assumes, instead, that it is school personnel, preferably faculty, who are engaged in educational evaluation (see Standard 2.6). The Board is concerned to learn that the school “is continuing to work *toward* generating an annual assessment cycle designed to ensure that evaluation continues on an ongoing basis,” rather than being in a position with this report to demonstrate that this is a regular and sustained practice. Additional indication of the absence of mature practices of evaluation includes the school’s recognition of “the need to clarify which courses are designed explicitly for each degree” and the need to “tie courses to specific PLOs.” Further, it appears that there may be only one direct measure of assessment identified for the MDiv program, that of field education supervisor evaluations.

The school has, however, utilized data to inform a revision of its New Student Orientation, and the Board urges the school to draw on what has been learned in this experience of “closing the loop” in all of its programs.

The school reports that it “has introduced a staff evaluation process.” From this, it appears to the Board that the practice of evaluating personnel is new to the school, not yet regularized, and may only involve self-evaluation at this point. Many other elements of institutional evaluation are presented using the future tense, e.g., “the board will play a central role in sustaining CST’s culture of planning... the board can begin to review institutional effectiveness data and use it to inform resource allocation... trustees have been encouraged to develop a self-assessment process... the president’s office and board will be receiving reports that can translate evidence into strategic recommendations.” The Board notes that the interim report related to the warning on financial resources was to address the role of the board in planning and governance related to the fiscal crisis.

The school submitted a succinct one-page plan in which, in relation to its strategic goals, it identifies outcomes, responsible parties, artifacts, timeline and frequency, benchmarks, and an “update and review cadence.” The Board urges the school to steadfastly implement every element of this plan in order to reach its goal of “building a durable culture of institutional data literacy, learning, and effectiveness that will sustain quality and mission fulfillment in the years ahead.”

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

12. To receive the report required in February 2024 regarding educational and institutional evaluation.
13. To require a report by the 1<sup>st</sup> of November 2027, demonstrating continued progress in educational and institutional evaluation. Building on the earlier evaluation report, this report should provide an analysis of findings achieved through direct and indirect measures for each degree program and show how these findings have led to program improvement. This programmatic evaluation should reflect broad-based faculty participation. This report should also demonstrate regular practices of evaluation of personnel, board self-evaluation, and evaluation of achievement of the school’s identified strategic priorities (see Standards 2.4, 2.6, 9.5, and 10.2).

In a final separate action, the Board considered the school’s interim report required by the Board in June 2024 providing evidence, both direct and indirect, regarding progress made in the implementation of the 2024-2029 strategic plan, as supplemental information to the two reports on planning and evaluation and financial sustainability due November 2025.

The school reports that it is “making measurable progress on [its strategic plan] by aligning governance and leadership structures with the plan’s priorities.” The evidence provided for this appears to have more to do with the renaming of two leadership committees than with strategic achievements, however. Educational evaluation data was provided to demonstrate ways in which the school is seeking to develop measurable outcomes for the strategic priority of aligning educational, institutional, and operational models with core values and redesigning learning/teaching praxes.

The school is creating a data inventory of core sources and intends to publish the school’s first institutional effectiveness report with KPI baselines and targets and enrollment/retention data.

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

14. To accept the report required in June 2024 on progress in the implementation of the strategic plan and to remind the school that it must be able to demonstrate further progress during its comprehensive visit for reevaluation of accreditation in fall 2028.

NOTE: [Actions #1-6 & #10-14](#) (above) are effective **February 3, 2026**; [action #7-9](#) (above) is effective **February 20, 2026**—thereby allowing sufficient time from the receipt of this notification for any initial request for a review (see ATS Commission [Policies and Procedures](#), VIII.A and VIII.A.1-3). To request a review of the above public sanction(s), the school must submit an official request signed by the school’s chief executive officer (or designee) within two weeks from today’s Board action letter. The school must state its reasons for requesting a review and cite one or more of the following reasons why a review is warranted: (1) the Board misinterpreted or misunderstood the applicable Commission Standards; (2) the Board missed or misunderstood evidence the school previously provided to verify that it met the standard(s) in question; (3) the Board failed to follow Commission-approved policies or Board-approved procedures; or (4) the Board had a conflict of interest that was not known or stated prior to taking the action. No new evidence is permitted, except

new financial information if the action was taken for financial reasons and only if the school has new financial information bearing on that action (VIII.A.1-2). Any initial request for a review is to be addressed to the Board of Commissioners and submitted in care of the Accrediting Records Coordinator ([accrediting@ats.edu](mailto:accrediting@ats.edu)).

The ATS Commission [Policies and Procedures](#) defines a public sanction as a negative action taken by the Board of Commissioners to issue a Warning (III.G), to place on Probation (III.H), or to issue a Show Cause (III.I). 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 been placed on public sanction (i.e., warning, probation, show cause), 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.G-I, VI.A.5, and VIII). The school is to provide evidence to the Commission ([accrediting@ats.edu](mailto:accrediting@ats.edu)) that these disclosures have occurred by **March 3, 2026** (e.g., date stamped screenshots, letter communiques, etc.).

Timeframes for resolving a public sanction may not exceed twelve months in the event of a Show Cause—which is neither reviewable nor appealable (III.I)—or two years in the event of either issuing a Warning (III.G.1) or being placed on Probation (III.H.1). Evidence for removal of the above public sanction(s) should be sent to the ATS Commission on Accrediting no later than **November 1, 2027**, in order to be considered by the Board at its 2028 winter meeting (February). Submission of such evidence follows the guidelines and formatting as other interim reports to the Commission (III.E.1); see also <https://www.ats.edu/Interim-Reports>). To request that a public sanction be removed earlier, the school should contact its assigned ATS Commission staff liaison regarding the possibility of any advance submission and associated deadline for Board review.

Note that Board approval of any substantive change that is not implemented within two years will automatically expire—unless a school requests and receives an extension for appropriate reasons ([Policies and Procedures](#), IV.A.1).

In preparation for any required focused evaluation visit, the school will receive a prospectus outlining the documentation that the school must provide prior to that visit ([Policies and Procedures](#), III.D.3). Note that the school's assigned ATS Commission staff liaison will be in contact regarding the visit prospectus—in addition to establishing a date for the focused visit. Any relevant visit fees can be found on the ATS website (<https://www.ats.edu/Evaluation-Visit-Billing-Policies>).

Please contact me directly at [mutch@ats.edu](mailto:mutch@ats.edu) with any questions.

Sincerely,  
Barbara

Barbara Mutch  
Senior Director of Accreditation

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**The Association of Theological Schools | The Commission on Accrediting**  
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