



REPORT OF THE WSCUC VISITING TEAM

SEEKING ACCREDITATION VISIT 3

For Institutions Seeking Initial Accreditation

To Virscend University

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SECTION I – OVERVIEW AND CONTEXT

Virscend University (VU), located in Irvine, California, is a private for-profit university established on November 18, 2016, with a mission to “inspire students with innovative ideas and business intelligence to prepare them to excel in a dynamic global business environment.” VU is currently approved by the California Bureau for Private Postsecondary Education (BPPE) to offer two-degree programs, and to offer those programs via on-ground and online modalities (approved on May 27, 2020). Currently, the Master of Business Administration program (MBA) has enrolled 15 students. The Bachelor of Science (BS) in Business Administration, a two-year degree completion program, is scheduled to begin in 2025.

VU began its WASC Senior College and University Commission (WSCUC) Seeking Accreditation application and completed the Seeking Accreditation Visit (SAV) 1 in Fall 2020. Upon review, the WSCUC Commission granted candidacy for a period of five years and scheduled the SAV 2 for Fall 2022. The Commission found that evidence of compliance with Standard 1 was achieved at a level sufficient for Initial Accreditation; evidence of compliance with Standards 2, 3, and 4 were demonstrated at a level sufficient for Candidacy during SAV 1. Specific CFRs in Standards 2, 3, and 4 were identified for additional attention and development.

In March 2023, after the SAV 2, the Commission found that evidence of compliance sufficient for Initial Accreditation for Standards 2 and 4. Standard 3, particularly CFR 3.4, needed additional development and provided the following recommendation:

CFR 3.4: It is unclear what plans the institution has that would ensure long-term fiscal independence and mitigate potential fiscal risk in the event the parent company ends its financial support. It is important that the institution supply evidence of realistic ten-year budget projections, strategic planning linked to long-term fiscal planning, and enrollment projections that set the university up for long-term fiscal

viability. Any such projections must include a definition of the assumptions and parameters underlying the numbers used as well as evidence of resources included.

A. Seeking Accreditation Visit Report: Quality and Rigor

The institutional report was brief but responsive to the issues raised by the March 17, 2023 Commission Action Letter. The Seeking Accreditation Task Force, responsible for the content of the institutional report, involved 11 people, including the Board chair, senior staff, two faculty members, and three student representatives. The report included a detailed update to VU's strategic plan with a new objective to achieve financial independence, an updated 10-year budget, enrollment plans with MOUs from various agencies to recruit international students, and a reflection for the future.

The team appreciated the detail and requested more information on how VU links enrollment and strategic planning to the budget and further information about how specific enrollment projections were developed.

SECTION II – EVALUATION OF INSTITUTIONAL COMPLIANCE WITH WSCUC’S STANDARDS

A. Standard 3. Developing and Applying Resources and Organizational Structures to Ensure Quality and Sustainability

The SAV 3 team focused on the one CFR under Standard 3 recommended by the Commission and divided the recommendation into three areas; (1) long-term fiscal planning, (2) strategic planning linked to budgeting, and (3) enrollment planning.

Long-term fiscal planning

VU was able to provide a realistic ten-year budget which was evidenced and thoughtful. During the visit, the institution provided a budget that relied on evidence including conservative, likely, and hopeful scenarios. The drivers of the budget scenarios were well researched and included internal data, peer research, historical norms, and data-based projections. What resulted was a 10-year budget that allowed for the university to have a realistic picture of the financial considerations as well as data-based alternative scenarios which will allow for more preparedness and informed decision making.

VU has shown a commitment via its budget and budgetary planning processes, to including the University staff and Board in its budgetary planning process and to creating financial independence outside of current its large contractual source of revenue. With a realistic break-even plan that is achievable, VU has set itself up for organic operational financial sustainability.

Strategic Planning Linked to Long-term Fiscal Planning

During our visit, it was evident that VU is committed to enhancing its long-term financial sustainability and has made significant efforts to diversify its recruitment strategies to reduce its dependence on its parent company. The university recognizes the importance of a global perspective and a diverse student body, and has expanded its outreach initiatives worldwide, resulting in over 30 signed MOUs. Additionally, VU has implemented targeted marketing campaigns, utilizing digital platforms and social media to reach potential students globally. By adopting these comprehensive approaches, VU has successfully broadened its recruitment scope, ensuring a vibrant and multicultural learning environment for its students while limiting its reliance on the Chinese market to establish long-term fiscal viability.

VU provided an updated strategic plan that includes an additional goal aimed at achieving financial independence. Goal 5 of the updated strategic plan outlines two specific objectives, namely, the recruitment of international students from diverse backgrounds and the development and offering of new programs. The plan also includes specific outcomes and responsible parties and is directly linked to the revised 10-year budget projection scenarios.

Furthermore, VU has conducted an assessment of the strategic plan, which indicates that the university is currently on track to achieve all but two of the identified goals. The full strategic plan is evaluated annually, and based on progress and priorities, it is updated or revised. The university also conducts monthly status reviews to ensure that it is meeting budget goals in accordance with its strategic plan. VU is encouraged to continue to strengthen and refine its strategic planning process to include regular and continued assessments and updates to the strategic plan as needed to support the current and future activities of the institution.

Enrollment Projections

VU provided realistic enrollment projections, including FTEs, which are listed in their strategic plan and based upon assumptions derived from historic enrollment patterns as well as pledges from agencies with which VU has MOUs. The 2024 projection is based on around 5% of the total anticipated students of the MOUs with the subsequent years based upon increasing about 10% of those numbers and gradually increasing the percentage in years out. VU was able to provide the team with three models of enrollment projections: conservative, realistic, and aspirational, indicating that they go by the conservative estimate to use with their budget modeling.

The 2022 and 2023 average recruitment data provided by the institution provided detail supporting an average conversion rate of about 14%, which is projected to lead to a 2024 incoming cohort of about 48 students. Using the conservative modeling, VU expects a 2024 cohort of about 24 students. During the visit, the team asked how the institution would address an influx of students that looks more like the aspirational model. VU indicated that they would need to hire more faculty and staff, which they have planned for in their strategic plan. The team recommends that VU work on a strategic staffing plan to be ready in the event that enrollments reach aspirational levels.

SECTION III. COMMENDATIONS AND RECOMMENDATIONS

Commendations

The team commends Virscend University for:

1. The university's fiscal outlook, it has leveraged scenario planning to create realistic budgets which contemplate variables and provide a path for long term organic sustainability.
2. The strategic plan has clear, well laid goals and objectives, with identified responsible parties, and links to budget needs.
3. The enrollment projections are thoughtful and consider conservative growth based on institutional historical data and external evidence.

Recommendations

The team recommends that Virscend University:

1. Develop a strategic growth and staffing plan and correlated budget for anticipated growth in student enrollment based upon projections, signed MOUs, articulation agreements, and anticipated new program enrollments.
2. To ensure consistent and collaborative University-wide financial planning and communication, Virscend is encouraged to strengthen and embed budgetary planning within all academic and non-academic departments of the University