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NEW ENGLAND ASSOCIATION OF SCHOOLS & COLLEGES, INC.
COMMISSION ON INSTITUTIONS OF HIGHER EDUCATION

December 6, 2017

Dr. Steven Fenter Sullivan
President
American University in Bulgaria
1 Georgi Izmirliev Square
Blagoevgrad, 2700 Bulgaria

Dear President Sullivan:

I am pleased to inform you that at its meeting on September 28, 2017, the Commission on Institutions of Higher Education considered the report submitted by American University in Bulgaria regarding its plans to offer a joint Executive Master's in Finance, Banking & Real Estate through a contractual arrangement with SDA Bocconi School of Management and voted to take the following action:

> that the report be accepted and the joint Executive Master's in Finance, Banking & Real Estate (EMFBRE) offered through a contractual arrangement with SDA Bocconi School of Management be encompassed within the institution's accreditation with an effective date of September 28, 2017;
>
> that the University's accreditation at the master's level be limited to the Executive Master's in Finance, Banking & Real Estate and the Executive Master of Business Administration, and the institution be reminded that, should it plan to offer additional programs at the master's level, it needs to submit a report to the Commission, in keeping with the Policy on Substantive Change;
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> that an on-site evaluation of the joint EMFBRE program be scheduled for Summer 2018;
>
> that the report prepared in advance of the Summer 2018 evaluation give emphasis to the institution's success in implementing the joint EMFBRE program, with particular attention to:
>
> 1. meeting enrollment goals set for the program, with assurance that admitted students will be able to complete the program;
> 2. assuring consistent program-wide evaluation of the quality of instruction provided and assessment of student achievement.

The Commission gives the following reasons for its action.

The report submitted by American University in Bulgaria was accepted, and the joint Executive Master's in Finance, Banking & Real Estate offered through a contractual arrangement with SDA Bocconi encompassed within the institution's accreditation because the Commission finds that the proposed program fits within the institution's mission and fulfills the *Standards for Accreditation* and relevant Commission policies.

The Commission commends American University in Bulgaria (AUBG) for its comprehensive proposal documenting the thoughtful planning that led to its partnership with SDA Bocconi to offer an Executive Master's in Finance, Bank & Real Estate, the institution's second executive graduate program. We are pleased to learn that SDA Bocconi, a prestigious European business school, has a mission that complements that of AUBG and an "active internationalization strategy." We note with approval that an extensive market analysis was conducted, including consultation with regional business representatives and sector organizations, resulting in a "unique" program designed for managers and executives who desire to enhance their "highly specialized technical experience with managerial knowledge." Benchmarked against other executive programs in Southeast Europe, the 14-month program will feature a "practical focus" and consist of 16 modules and a concluding thesis. We view positively that the EMFBRE was approved through AUBG's faculty governance process and received full Board approval in May 2017, and understand that two co-directors, one from AUBG and one from SDA Bocconi, will administer the program; a Steering Committee will also be established to oversee partnership issues. In addition, we are assured that AUBG will retain authority for admitting students to the program through a process involving the University's Program Director, Program Manager, and faculty. As reported by the institution, AUBG has sufficient capacity in all units to "absorb" an additional graduate executive program including space at its Elieff Center for Education and Culture in Sofia, Bulgaria, as well as to provide access to library and educational technology resources and appropriate student services. American University in Bulgaria will further benefit through increased awareness of the institution in the region, strengthened connections with businesses for internships and career opportunities for its students, and expanded networking opportunities for its faculty.

We remind you that any plans to offer additional programs at the master's level will need to be reviewed by the Commission, consistent with our Policy on Substantive Change. It is generally the case that before granting general approval at the higher degree level within the institution's range of academic offerings, the Commission expects to see developed capacity at the higher degree, success with initial programs, and, as appropriate, the development of an institutional culture supporting academic programming at the higher degree.

Commission policy requires an on-site evaluation of the new program within two years of its initiation and before the first class is graduated. The report prepared for the visit in Summer 2018 should update the Commission to reflect and assess actual experience in implementing the degree program. A copy of the relevant policy and procedures is enclosed for your information.

In addition, the institution is asked, in its Summer 2018 report, to give emphasis to two matters related to our standards on *Organization and Governance*, *Students*, and *The Academic Program.*

We are aware that American University in Bulgaria has set a goal to recruit student cohorts of 18-22 annually during the three-year trial period and, comparable to its Executive MBA, to have a retention rate above 90% for the EMFBRE program. With a breakeven point of 18 students, the program will be self-sustaining and, according to the report, pose "no financial risk" given the measures in place that include a safety clause in the agreement with SDA Bocconi that permits AUBG to "unilaterally cancel the program with no financial obligation" should enrollment be less than 18 students. We ask that the report prepared for the Summer 2018 site visit give emphasis to the institution's success in meeting its goals for enrollment with assurance that admitted students will be able to complete the program should enrollment fall below 18 students in any given year. Our standards on *Organization and Governance*, *Students*, and *The Academic Program* provide this guidance:

> The institution using contractual arrangements, consortial or other written agreements involving credits and degrees, the delivery of coursework, the assessment of student achievement, or the recruitment or support of students periodically reviews the effectiveness of such arrangements and negotiates appropriate changes. Consistent with Commission policy, the institution maintains sufficient control over the arrangements to ensure quality in the academic program and services for students and prospective students, including the ability to modify the agreements as needed. Written agreements provide for the termination or phasing out of such arrangements as circumstances warrant, and the institution develops appropriate exit strategies as needed (3.18).
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> Consistent with its mission, the institution sets and achieves realistic goals to enroll students who are broadly representative of the population the institution wishes to serve (*Students*, Statement of the Standard).
>
> When programs are eliminated or program requirements are changed, the institution makes appropriate arrangements for enrolled students so that they may complete their education with a minimum of disruption (4.9).

We note with favor that the Executive Master's in Finance, Banking & Real Estate will be evaluated by faculty and administration following AUBG's schedule of program reviews. In addition, student achievement will be assessed using AUBG's "established procedures and practices," including a senior thesis designed to "incorporate knowledge acquired throughout the full course of study" that will be reviewed by a defense committee consisting of a minimum of three faculty members. We also understand that student evaluations will be administered in all classes and that AUBG faculty teaching in the program will be regularly evaluated by the University's Business Department and Provost. However, we note that of the 16 modules, only five will be taught by AUBG faculty and the other 11 by SDA Bocconi faculty. We therefore wish to ensure, through the Summer 2018 report, that the evaluation of the quality of instruction provided and the assessment of student achievement is consistent and program-wide. We remind you of our standard on *The Academic Program*:

> Through its system of academic administration and faculty participation, the institution demonstrates an effective system of academic oversight, assuring the quality of the academic program wherever and however it is offered (4.5).
>
> The institution demonstrates its clear and ongoing authority and administrative oversight for the academic elements of all courses for which it awards institutional credit or credentials. These responsibilities include course content, the specification of required competencies, and the delivery of the instructional program; selection, approval, professional development, and evaluation of faculty; admission, registration, and retention of students; evaluation of prior learning; and evaluation of student progress, including the awarding and recording of credit. The institution retains, even with contractual, dual enrollment, or other arrangements, responsibility for the design, content, and delivery of courses for which academic credit or degrees are awarded. The institution awarding a joint, dual, or concurrent degree demonstrates that the program is consistent with Commission policy and that the student learning outcomes meet the institution's own standards and those of the Commission (4.32).

The Commission expressed appreciation for the report submitted by American University in Bulgaria and hopes its preparation contributed to institutional improvement. It appreciates your cooperation with the effort to provide public assurance of the quality of higher education.

You are encouraged to share this letter with all of the institution's constituencies. It is Commission policy to inform the chairperson of the institution's governing board of action on its accreditation status. In a few days we will be sending a copy of this letter to Dr. Ivan Manev. The institution is free to release information about this report and the Commission's action to others, in accordance with the enclosed policy on Public Disclosure of Information about Affiliated Institutions.

If you have any questions about the Commission's action, please contact Barbara Brittingham, President of the Commission.

Sincerely,

David P. Angel

David P. Angel

DPA/jm

Enclosures

cc: Dr. Ivan Manev