

October 18, 2019

Dr. Yau-Gene Chan
President
International Technological University
2711 North 1st Street
San Jose, CA 95134

Dear Dr. Chan:

This letter serves as formal notification and official record of action taken concerning the International Technological University (ITU) by the WASC Senior College and University Commission (WSCUC) at its meeting of the Executive Committee of the Commission on October 17, 2019. At that meeting, WSCUC acted to place ITU on Show Cause.

This action was taken after consideration of the events since early August when there were numerous and significant changes in leadership at both the administration and board level, culminating with the sudden action of an email to all staff on October 15, 2019 stating that all staff are indefinitely furloughed due to significant financial circumstances.

The Commission has found that the International Technological University is in noncompliance with WSCUC Standards 1 and 3 and acted to issue an Order of Show Cause. As defined in the 2013 Handbook of Accreditation, “an Order of Show Cause is a decision by the Commission to terminate the accreditation of an institution within a maximum period of one year from the date of the Order, unless the institution can show cause why such an action should not be taken...” In response to the Order, the institution has the burden of proving why its accreditation should not be terminated. It is the responsibility of the Commission to determine that the institution has addressed Commission concerns and come into compliance with all Commission Standards.

The accredited status of the International Technological University continues during Show Cause. While on Show Cause, any new sites or degree programs initiated by the institution must be approved through the substantive change process. ITU is also responsible for meeting the requirements listed below for notifying students and other stakeholders of this status.

Actions

1. Issue an Order of Show Cause.
2. Continue accreditation until the issues that resulted in the Order of Show Cause have been satisfactorily addressed, but in any event no longer than one year.
3. Require ITU to meet with WSCUC staff within 14 days from the date of this letter, to include ITU’s president and CFO, and representatives of the governing board. The purpose of the meeting is to assure that the institution understands the reasons for the Commission’s finding of noncompliance and to discuss the institution’s situation and plans for responding to this action.
4. Maintain the scheduled Special Visit calendared for February 2020 to address institutional planning, alternative revenue sources, staffing for international

students, analysis of student outcome data, and the clarity of decision-making authority. The scope of the visit will be expanded to include the issues cited in this letter. However, depending on what WSCUC learns at the time of the meeting between WSCUC and ITU, and on subsequent developments in ITU's situation, the Special Visit may be scheduled sooner, or additional visits, reporting, or other requirements may be added.

Issues to be Addressed

International Technological University has a history of leadership problems dating back to February 2015, when the now-just-installed president was removed by the ITU board after an unscheduled Special Visit by a WSCUC team. The last WSCUC team review in spring 2018 noted serious issues with unclear decision-making processes, concern with planning, and the need for additional revenue to assure financial sustainability. Current events result in lack of compliance in the following areas:

1. The rapid changes in leadership and the board lead to ambiguity about who is making decisions and how those decisions are being made. (CFRs 1.7, 3.6, 3.7)
2. Multiple reports from staff indicate an atmosphere of secrecy and intimidation (CFR 1.8)
3. There is insufficient staff to support faculty and students (CFR 3.1)
4. The latest email from the president states that the institution is in financial distress and must abruptly furlough staff, indicating a non-viable organization (CFR 3.4)
5. The board membership changed rapidly due to many recent resignations and additions of new members. These board changes followed immediately by the appointment of a former president pose the question of whether the board is truly independent. (CFR 3.9)

The Commission requires ITU to:

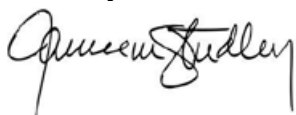
1. Provide teach out plans to WSCUC with appropriate agreements to support students' program completion within no more than 60 days from receipt of this letter, in consultation with your WSCUC liaison
2. Provide evidence to WSCUC within no more than 15 days from receipt of this letter that funds have been set aside to underwrite the teach out, the amount and process to be determined in consultation with WSCUC
3. Develop and implement a plan to preserve and assure access to student transcripts within no more than 30 days from receipt of this letter
4. Immediately notify all stakeholders of the Order of Show Cause and the reasons for its issuance, to include posting this announcement prominently on the institution's website and recruiting or promotional materials, including at every location that refers to WSCUC accreditation, and sending individual emails to all students, staff, and faculty by Tuesday, October 22, 2019.

The Commission decision to issue an Order of Show Cause is subject to the Commission Review Process for Institutions on Sanction. Please note that a request for Commission Review must be based on one or more of four limited justifications as outlined in the 2013 Handbook of Accreditation (see pp. 40-42). A request for review of this decision must be received in the WSCUC office by certified mail within 28 days of the date of this letter.

In accordance with Commission policy, a copy of this letter is being sent to the chair of ITU's governing board. The Commission expects that this action letter will be posted in a readily accessible location on the ITU website and widely distributed throughout the institution, in keeping with requirement #4 above. If the institution wishes to respond to the Commission action on its own website, WSCUC will post a link to that response on the WSCUC website.

Please contact me if you have any questions about this letter or the action of the commission, and contact Dr. Goor to arrange the required meeting with WSCUC and arrangements for implementing required actions.

Sincerely,

A handwritten signature in black ink, appearing to read "Jamiene S. Studley". The signature is fluid and cursive, with the first name being the most prominent.

Jamiene S. Studley
President

JSS/mbg

Cc: Reed Dasenbrock, Commission Chair
Chi Hsieh, Board Chair
Patty Wiggin, ALO
Mark B. Goor, Vice President