

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Academic Affairs

NO.: AAC 17-07

COMMITTEE DATE: November 29, 2016

BOARD DATE: December 6, 2016

APPLICATION OF SATTLER COLLEGE TO AWARD THE BACHELOR OF SCIENCE IN BUSINESS, BACHELOR OF SCIENCE IN COMPUTER SCIENCE, BACHELOR OF SCIENCE IN HUMAN BIOLOGY, BACHELOR OF ARTS IN BIBLICAL AND RELIGIOUS STUDIES, AND THE BACHELOR OF ARTS IN HISTORY

MOVED: The Board of Higher Education (BHE) hereby conditionally approves the Articles of Incorporation of **SATTLER COLLEGE** with the authority to award the following degrees:

- Bachelor of Science In Business**
- Bachelor of Science in Computer Science**
- Bachelor of Science In Human Biology**
- Bachelor of Arts In Biblical and Religious Studies**
- Bachelor of Arts In History**

Provided, further that the BHE will undertake to review, during the twelve year period set forth in 610 CMR 2.05(5), the continued progress of the institution toward meeting and maintaining compliance with the BHE's regulations, the visiting committee's recommendations, the goals and representations set forth in connection with the institution's petition to the BHE, and its compliance with the following conditions:

1. For the first five years of operation, the President shall submit to the Commissioner of Higher Education the credentials of faculty hired to teach in each of the five degree programs.
2. Once the institution has created a permanent campus, the President shall provide to the Commissioner of Higher Education a detailed description of the physical plant, demonstrating that Sattler College's facilities comply with the health and safety standards of the community, state, and federal government; that classrooms are of sufficient number, size, and equipment to meet instructional needs of the programs; and that there is sufficient office space to meet the needs for faculty, administration, and student services. If laboratories are not part of the physical plant, the President shall submit to the Commissioner written agreements with

those institutions where laboratory instruction will be provided for students in the Human Biology major.

3. For the first five years of operation, the institution shall submit to the BHE annual status reports by July 15th of each year providing narrative and statistical information on the institution's compliance with BHE standards and with the goals and representations set forth in connection with the institution's petition, including the institution's hiring practices, enrollment, finances, student outcomes and other information as requested by Department staff.

Authority: Massachusetts General Laws Chapter 69, Section 30 et seq.; 610 CMR 2.05(5).

Contact: Patricia A. Marshall, Ph.D.,
Deputy Commissioner for Academic Affairs and Student Success

BOARD OF HIGHER EDUCATION

November 2016

Sattler College

Initial authorization to incorporate in Massachusetts and to offer the following degrees:

**Bachelor of Science in Business
Bachelor of Science in Computer Science
Bachelor of Science in Human Biology
Bachelor of Arts in Biblical and Religious Studies
Bachelor of Arts in History**

Background and Degree Authority Requested

Sattler College has requested initial authorization to incorporate as a non-profit baccalaureate degree institution of higher education located in Boston, MA and to offer five baccalaureate programs:

Bachelor of Science in Business
Bachelor of Science in Computer Science
Bachelor of Science in Human Biology
Bachelor of Arts in Biblical and Religious Studies
Bachelor of Arts in History

Within ten years after the College begins operations, it plans to seek authorization to also offer programs in Civil Engineering, English, Education, Journalism, Mathematics, Physics, and Social Sciences.

For the initial launch of the institution, the College intends to operate out of the 35th floor of One International Place, Boston, MA. The funding for the institution is initially being provided in its entirety by Dr. Finny Kuruvilla, the incorporator of the proposed college and the founder and largest owner of Eventide Asset Management. Dr. Kuruvilla is donating a cash stream that is valued at approximately \$30 million for the creation and ongoing operation of the College. Beyond this funding, the intention is to seek additional funds from new sources to grow the school.

INSTITUTIONAL OVERVIEW

Sattler College intends to be a small institution with a highly focused array of baccalaureate degree academic programs, a heavy emphasis on teaching, limited auxiliary programs (such as athletics and recreation), and a small administrative structure.

The intended mission of the College is to "prepare students to serve Christ, the church, and the world" and to "provide classical education that instructs the mind, discipleship that shapes the soul, and inspiration that enflames the heart."

Sattler College has the following educational objectives:

- Promoting academic excellence and critical thinking
- Developing Christian character

- Enabling students to master oral and written communication skills
- Cultivating self-initiative, resourcefulness, and determination
- Minimizing or avoiding student debt by managing fiscal resources well
- Recruiting and retaining a highly diverse, international, and multicultural student body, faculty, and staff
- Maximizing the use of the best technology available for learning and service delivery
- Encouraging students to tackle some of the great problems of the day with respect to poverty, injustice, education, healthcare, sustainable business, Christian discipleship, and world change

The By-Laws of Sattler College include Founding Precepts for the College that are relevant to understanding its mission. Article I of the By-Laws states:

- a. Sattler College provides an education that is grounded in the historic Christian faith. This encompasses the traditional beliefs of the church with respect to doctrine and practice. While the College has no specific denominational affiliation, the beliefs upon which it is established correspond most closely with the persecuted, suffering churches of history, such as the ante-Nicene church, the Waldensians, the Wycliffites, and the Anabaptists.
- b. With respect to doctrine, the College affirms the traditional tenets of the Christian faith including the Trinity, Jesus' bodily resurrection, salvation through Christ, the infallible nature of the Scriptures, and the final judgment (Matthew 28:19; John 11:25; 20:24-21:14; Acts 4:12; Romans 10:9; 1 Corinthians 15; 2 Corinthians 5:10; Hebrews 9:27; 2 Timothy 3:16). Thus the College affirms agreement with the historic creeds of the church such as the Apostles' Creed and the Nicene Creed.
- c. With respect to practice:
 - i. The College affirms that love and obedience to Jesus' commands are the true hallmarks of the Christian faith (Matthew 7:15-20; Luke 6:46; John 13:34-35; 1 John 2:3). The College affirms that obedience to Christ is organically and necessarily connected to faith in Christ (John 14:15, 14:23, 15:10; James 1:22-25; Romans 6:17).
 - ii. The College reads the Scriptures in a Christocentric fashion, placing stress on Jesus' teachings and example, most notably the Sermon on the Mount (Matthew 5-7) and his death on the cross. With respect to the Sermon on the Mount, the College affirms Jesus' positive injunctions to guard our hearts (Matthew 5:3-30) and love our enemies. The College affirms His prohibition of oaths (Matthew 5:33-37) and His prohibition against accumulating treasures on earth (Matthew 6:19-21).
 - iii. The College affirms Jesus' commands of Christian peacemaking and nonresistance (Matthew 5:33-48), which includes the teaching that Christians are not permitted to kill or serve in war. Instead the Christian mandate to love our enemies without prejudice, to pray for the safety of all people (1 Timothy 2:1-4), and sacrificially serve those afflicted by war and injustice.
 - iv. The College affirms that the church is intended to be an intentional body of those who follow Jesus, not a mixed group containing those who disbelieve or reject Jesus' teachings (Matthew 18:15-18; 1 Corinthians 5; Ephesians 5:11). The College also affirms that the church must remain free from the influence of

the state.

- v. The College affirms that baptism is only for those who repent and believe; this naturally implies a rejection of infant baptism (Matthew 28:19-20; Mark 16:16; Acts 2:38, 22:16; 1 Peter 3:21; Colossians 2:12).
- vi. The College affirms that remarriage after divorce is biblically prohibited while the former spouse lives (Matthew 5:31-32; Mark 10:11-12; Luke 16:18; Romans 7:2-3).
- vii. The College affirms separation from the world in matters that Scripture commands such as worldview, dress, and entertainment (Psalm 101:3; Romans 12:1-2; 1 Corinthians 11:1- 16; 2 Corinthians 6:14-18; Philippians 4:8; 1 Timothy 2:8-10).
- viii. The College recognizes the historic pattern of: a) drift of Christian institutions and churches away from the simplicity of Scripture and b) the tendency to marginalize demanding teachings as if they were culturally transient. Because Sattler College seeks to uphold the faith that was once and for all delivered to the saints (Jude 3), the College is committed to learn from history in order to uphold and practice the original, apostolic faith.

ORGANIZATION AND GOVERNANCE

The institution will be governed by a five member Board of Trustees, which will include Dr. Kuruvilla.

The academic and non-academic work of Sattler College is organized around five principal positions that constitute the College's initial leadership structure. These include:

1. President (chief executive officer)
2. Dean (chief academic officer)
3. Assistant Dean (chief student affairs and enrollment management officer)
4. Treasurer and Director of Finance and Administration (chief financial officer)
5. Director of College Advancement (chief development officer)

This number of administrators is expected to grow as enrollment grows.

To further reinforce the primacy of academic matters and to ensure that the College leadership remains focused on its core mission and values, senior College leaders - especially the President, Dean, and Assistant Dean – will be active members of the faculty who teach regularly. The modest size of the College, both initially and even when it achieves full size (see Projected Enrollment, page 7), makes this feasible and consistent with its mission. Administrators who teach will not have a formal role in faculty governance.

All non-teaching matters related to students are organized under a single position, the Assistant Dean, functioning as the chief student affairs and enrollment management officer, who will report directly to the Dean.

FACULTY

Sattler College intends to maintain a student-to-faculty ratio of 10:1. All faculty members, except for those serving on the Board of Trustees, will be full time. All policies related to faculty are outlined in the Faculty Handbook. The size of the faculty will begin small (3-6 faculty members) and gradually increase to approximately 20 by year 7. The role, workload and contracts of faculty of Sattler College will differ from many other institutions in several ways:

- Due to the fact that substantial parts of the academic program will be multi-disciplinary, coupled with the intentional small size of the student body, faculty will not be organized into traditional academic departments.
- The College will appoint faculty for fixed terms and will not award tenure.
- Sattler faculty will be expected to assume responsibility for mentoring students in Christian discipleship and responsibilities.
- Faculty will not be expected to make contributions to original scholarship in their fields as part of their workload.
- Faculty will serve primarily as mentors and discussion leaders, not as lecturers or providers of information. Students will be directed to on-line lecture sets and will be responsible for learning outside of class, e.g., watching video lectures. In class, ideas will be reinforced, discussed, and critiqued. Sattler's chosen platform is the Open edX system, an online learning platform developed jointly by Harvard University and the Massachusetts Institute of Technology which allows anyone to take free online courses provided by dozens of prominent universities.

ADMISSION

Sattler College plans to enroll first-time students who present clear and compelling evidence of having completed an academically rigorous program of education at the secondary level, and transfer students with comparable secondary education who have demonstrated through enrollment in an accredited college or university that they are capable of succeeding in an academically rigorous college. Sattler will welcome applications from students who have acquired their secondary education in a variety of settings, including traditional private and public high schools in the United States or in other countries, as well as students who have received their secondary education at home.

All students enrolled in Sattler College will also be required to demonstrate their strong commitment to the fundamental values of Sattler as a Christian college. However, Sattler has represented that this requirement does not mean that admission and/or enrollment will be limited to Christian students; though Sattler recognizes that, because of this requirement, the student body may, through self-selection, comprise all or almost all Christians, it has repeatedly affirmed its commitment to student diversity.

Applicants will be encouraged to submit traditional high school transcripts, and results of standardized tests, and to present more qualitative evidence of their academic accomplishments, including statements of the academic program they have followed or portfolios of work accomplished. All applicants are required to submit a substantial essay that addresses why they are interested in the very particular, focused education that is

offered by Sattler College; how their prior academic experience prepares them to succeed at Sattler; and how their personal commitment to a Christian education has influenced their choice of Sattler College.

GRADUATION REQUIREMENTS

To earn the Bachelor of Arts or Bachelor of Science degree at Sattler College, students must complete the equivalent of four years of full-time study, (a minimum of 120 credits) either entirely at Sattler or by transferring to Sattler from another accredited college or university. Students who enroll at other colleges or universities before enrolling at Sattler must, however, spend at least the equivalent of two years of full-time enrollment at Sattler College.

All graduating students must complete the following:

- the College’s clearly specified core curriculum.
- the course of study associated with one of the five majors offered at the College.
- a substantial capstone project in their final year of study at Sattler College.

As part of Sattler’s Discipleship Program, all students are expected to meet once per month with an assigned, same-gender advisor. Meetings ordinarily will last approximately one hour and are intended to be open times to discuss a student’s progress, challenges, and opportunities for spiritual growth. These meetings will be strictly confidential (within state and federal statutes, e.g., a legal obligation to report abuse) and have no influence on any course grades or graduation. Upon graduation, in addition to receiving a diploma, students will be awarded a Statement of Christian Discipleship. Written by the student’s advisors and faculty, this letter comprises an assessment of the student’s progress in discipleship during their years of study at the College. The letter is not intended to serve as a letter of recommendation, but rather as a way to communicate the value that the College places on character and spiritual development.

PROJECTED ENROLLMENT

Sattler College plans to recruit approximately 24 students in the first year of operation. Table 1 shows the growth of enrollment from for the first four years. Although limited attrition is expected, the College has included in its enrollment goals for possible attrition of 15%. The expectation is that in seven years the student body will comprise close to 275 students.

Table 1

	Yr 1	Yr 2	Yr 3	Yr 4
First class	24	21	20	20
Second class	47	42	40	40
Third class	59	53	50	50
Fourth class and beyond	76	68	65	65

ACADEMIC AND RELATED MATTERS

All students will be required to complete a common core curriculum of 14 courses that provides a foundational academic experience of general education in the arts and sciences. Thus for the first two years of operation, all students will be in the College's general education curriculum.

Core Curriculum

Sattler's Core comprises a common set of courses taken by all students that includes four integrative, interdisciplinary courses that cover multiple disciplines (history, literature and art) in each of three major historical genres (early history, modern history and U.S. history). A fourth course focuses on the History, Art, and Literature of the Christian Church.

Courses in Sattler College's Core Curriculum

Foundations of Christian Faith

BRS 101 The Fundamental Texts of Christianity: The Old and New Testaments

BRS 201 Theology

BRS 203 Apologetics

Science

BIO 101 The Biology of our World

Mathematics

MAT 102 Statistics and Data Science

Humanities (An Integrated Study of History, Literature, and Art)

HUM 102 The History, Literature, and Art of the Ancient and Medieval Worlds

HUM 103 The History, Literature, and Art of the Modern World

HUM 104 The History, Literature, and Art of the United States

HUM 105 The History, Literature, and Art of the Christian Church

Social Sciences

BUS 101 Introduction to Economics

SOC 301 Global Poverty: Its Origins and Implications for World Change

Language and Communication

LNG 101 Expository Writing and Oral Communication

LNG 102-103 Elementary Biblical Greek I and II

LNG 104-105 Elementary Biblical Hebrew I and II

By its third year of operation, Sattler College plans to have five majors that provide students the opportunity to pursue areas of particular interest in depth. These are the five programs for which authority is being sought for the initial authorization. The proposed degree programs lead to either a four-year Bachelor of Science or Bachelor of Arts degree. The degrees require 120 (122 for Human Biology) total credit hours, including 48 credit hours from core courses and a combined 72 credit hours distributed between major program requirements and electives.

The first semester of the senior year features a senior seminar which students will complete in their chosen program of study. In the second semester of the senior year, each student is required to work on a 12 credit hour capstone project approved by a faculty advisor.

Based on data from Westmont College, a small Christian college of 1300 students in Santa Barbara, California, Sattler expects that initially the majority (75%) of its students will major in Business and Human Biology, with the remaining 25% spread throughout the majors of Religion, History, and Computer Science.

Assessment

To encourage a culture of assessment at Sattler College, the College has modeled its assessment program after the American Association of College & Universities (AAC&U) Liberal Education and America's Promise (LEAP) program. It will require each student to develop and maintain a portfolio that includes student achievements related to each of the LEAP Essential Learning Objectives; achievements related to work in their majors; achievements outside of the College's curriculum; and the achievements associated with the Capstone project each student completes. This portfolio will serve as a record of each Sattler College student's intellectual and personal growth and will be embedded in the College's Sycamore-based information management system.

Collectively, all portfolios can also serve as the foundation for the College's planned systematic assessment of each of its essential learning goals, in the aggregate. The College will develop a regular program assessment schedule that will include a fixed schedule of periodic assessment of learning associated with each of the LEAP essential learning outcomes associated with the core curriculum; with each major; and with the Capstone experience. As part of the College's efforts to develop a culture of assessment, one of the first committees that the Chief Academic Officer will establish will be an assessment committee, which will be charged to schedule and carry out these periodic assessments.

The Capstone projects will be reviewed using the model of the AAC&U's Valid Assessment of Learning in Undergraduate Education (Value) rubrics for integrative and applied learning. Faculty teaching in each of the majors will be required to develop their own VALUE-like rubrics to assess learning in the majors. When this schedule of assessments is fully operational, it will be used to complete a regular five-year cycle of learning assessment that encompasses the core curriculum, learning in the majors, and the Capstone experience.

RESOURCES AND BUDGET

Eventide Asset Management, LLC ("Eventide") is a Boston-based Registered Investment Advisor and serves as the Advisor to Eventide Mutual Funds. It was founded in 2008 with a vision to offer high performance values-based mutual funds to individuals, financial advisors, and institutions, and it manages more than \$1.6 billion in net assets.

Dr. Kuruvilla is the founder and largest owner of Eventide Asset Management LLC, owning approximately 49% of the founding member shares. He also is a class B investor. To create and sustain Sattler College, Dr. Kuruvilla is pledging funds from his

portion of the charitable contribution of the Eventide Gilead Fund, preferred returns, and a profit bonus from the Gilead Fund. If the College is approved, the funds would flow from Eventide to a donor-advised fund at an independent 501(c)(3) foundation, the National Christian Foundation, and from the National Christian Foundation to the College.

The amount of funding that Dr. Kuruvilla has pledged is as follows:

1. Year 1:	\$ 450,000
2. Year 2:	\$1,400,000
3. Year 3:	\$1,800,000
4. Year 4:	\$1,980,000
5. Year 5	\$2,400,000
6. Year 6 to perpetuity	\$2,400,000, adjusted for inflation

Projections submitted by Dr. Kuruvilla on November 10, 2016 show that the financial support as laid out above is feasible.

The first five years of funding are unconditional and have been guaranteed in a signed pledge from Dr. Kuruvilla.¹ Because the College also expects to seek additional funds from new sources as it evolves, each annual contribution from Dr. Kuruvilla may be reduced by an amount equal to half of the total revenue (other than net tuition and fees) received by the College from other sources that year (which reduction would occur in the following fiscal year).

Beyond the first five years, Dr. Kuruvilla will continue to fund the College as set forth above unless the Founding Precepts of the College (found in Article I of the By-Laws and on pages 3-4) are modified in such a way that weakens their Christian character. If such a weakening were to occur, the College would have nine months to remediate any such violation, and if the violation is not remediated, funding would be terminated. No funds shall be restricted, cut off, or otherwise modified during the period of remediation.

Upon BHE approval, the Sattler Board will decide the opening year of the College in which classes shall commence. Year 1 represents the preparatory year of hiring administrators, faculty, and staff; year 2 represents the year in which classes begin. This Sattler Board decision after BHE approval shall commence the funding stream.

Budget

Attachment B

The College has submitted a projected nine year budget showing a positive fund balance of \$ 1,988,531.09 for first nine years of operation.

¹ The Pledge is attached as Attachment A. If the BHE does not approve Sattler College, or if other governmental causes prevent the College from opening, the grant will not occur, as the College will not be opening.

Tuition and Fees

Tuition is slated to begin at \$9000 and to increase by a 3% annual inflation factor. If for some unforeseen reason funding from Eventide stopped, the tuition is projected to increase to \$19,000 from its starting point of \$9000. Table 2 indicates what students can expect to actually pay for an education at Sattler, based on whether they live at home or in Boston. Financial aid cannot be available to students unless and until the institution is accredited. It will be a decision of the Board as to whether Sattler wants to seek accreditation, though Sattler has represented that it does not currently intend to pursue that channel. The public will be adequately informed that applicants will not be eligible for federal financial aid.

Table 2

Sample student costs (9 months, or 39 weeks)

	Live at home	Apartment rental
Tuition	\$ 9,000.00	\$ 9,000.00
Health insurance	\$ 2,256.00	\$ 2,256.00
Housing and food	\$ 1,950.00	\$ 15,272.73
Room	\$ 0.00	\$ 8,100.00
Utilities	\$ 0.00	\$ 1,322.73
Food	\$ 1,950.00	\$ 5,850.00
Books	\$ 1,200.00	\$ 1,200.00
Personal expenses	\$ 2,000.00	\$ 2,000.00
Transportation (monthly T pass)	\$ 675.00	\$ 675.00
Total	\$ 19,031.00	\$ 30,403.73

Facilities and Library and Information Technologies

The College plans to be located in space on the 3rd floor of One International Place in Boston for at least the first year of operation and then move to larger quarters where the intention is to secure a seven year lease. With the help of a consulting architect, a space plan was created and a real estate survey was done on potential sites. Due to the small enrollments expected in the first two years, and the fact that all students will be enrolled in the core curriculum during those years, there is little need for expanded classroom space.

The College does not intend to build laboratory facilities, regardless of its location, but instead to have students take laboratory courses through the Harvard University Extension School, Northeastern University's College of Professional Studies, or elsewhere and transfer credits back to Sattler.

Sattler College intends to utilize the physical library facilities at the Massachusetts Institute of Technology Libraries (<http://libraries.mit.edu/>) and the Boston Public Library as resources for its students. A Privilege Card (P-card) will be purchased by the College on behalf of students to gain borrowing rights at the MIT Libraries. A P-card will allow students to borrow materials, with some exceptions, in accordance with library policy. Sattler will also provide electronic library resources to its students by subscribing to the eBook services provided by two leading digital library service providers: ProQuest (ebrary) and EBSCO. Both offer thousands of scholarly titles in electronic formats in various fields and subjects, including in the majors that Sattler College intends to offer. Students may read those titles on a web browser, or download them and read them on a computer, tablet, or e-reader.

Public Disclosure

The College is committed to developing a website and a full complement of digital and print materials that fully and accurately describe the mission, objectives, academic programs, expectations, and policies and procedures of the College. With the receipt of authorization to grant degrees, the College will replace prototypical words and images reflected in the preliminary communication vehicles it has created with accurate depictions of its facilities and more detailed descriptions.

EXTERNAL REVIEW AND INSTITUTION'S RESPONSES

Review Committee

The Visiting Committee's review of the Sattler College proposal for approval to open a new college was conducted under the leadership of Dr. Diana Pullin, Ph.D., J.D., Boston College, Educational Leadership and Higher Education Department, and School of Law Boston College, Chair. The Committee included

- Ron Akie, Provost and Chief Academic Officer, Mount Ida College
- Anthony LoPresti, Ph.D., Associate Professor and Chair, Department of Religious & Theological Studies, Salve Regina University
- Patricia Rissmeyer, Ph.D., Vice President of Student Affairs, Emmanuel College
- Andrew Soll, Vice President for Finance and Facilities (retired), Salem State University
- Lynette Robinson, Ph.D., staff representative from the Massachusetts Department of Higher Education.

Review Process

After an initial review of all documents, the Committee made a site visit on November 23 and 24, 2015 to the proposed initial Sattler campus at One International Place in Boston. During the site visit information was obtained from in-person meetings with Dr. Finny Kuruvilla, M.D., Ph.D. (Incorporator, Benefactor, Board Member, and Proposed Faculty Member of Sattler College); Dr. James Bradford, J.D. (President and CEO of Sattler College); Dr. James McCarthy (Consultant); and David Dilulis (CPA), partner in the accounting firm O'Connor and Drew, P.C.

The Visiting Committee assessed the institution's compliance with 610 CMR 2.07(3) and its overall character and fitness to offer the degrees requested. The Committee reviewed all of the documents presented in the original application as well as conversations had during the site visit to prepare its initial report. It submitted its initial report to Sattler on January 8, 2016.

Sattler responded to the January 2016 report on March 24, 2016. The Committee then carefully reviewed that response, the draft Sattler College website, and the extensive documentation included with the response.

The Committee submitted a second report to the College on April 22, 2016. At that time, the Committee asked that DHE Legal Counsel provide guidance on three issues it believed to be beyond its professional scope: Massachusetts law regarding discrimination in employment (610 CMR 2.07(3)(j)), the revocability of Sattler's proposed funding stream (610 CMR 2.07(3)(f)), and whether the application raised any consumer protection concerns.

Sattler responded to the second report on May 7, 2016 and the Visiting Committee was sent that response.

Following the Committee's request for guidance, over several weeks DHE Legal Counsel had regular communications with Sattler's counsel, including exchanging written requests for information and responses, conference calls, and two in-person meetings with counsel and representatives from both parties to discuss the issues referred by the Visiting Committee. As a result of these communications, Sattler made changes to its application and submitted revised policies and financial documents so that it would be in compliance with 610 CMR 2.07(3) (see Findings, infra).

Findings

In its reviews and reports, the Committee noted that there were challenges for the applicant and for the Visiting Committee in approaching this task for a totally new institution. *"As with any application for a totally new institution, there are no faculty or students to interview, only an empty office space to assess as a "campus", no cooperating institutions to query, and sometimes limited guidance from the relevant regulations. The proposed institution takes a very innovative approach to its academic programs and targets, in significant part, a potential applicant pool of homeschooled students. As a result of these factors, there is no clear precedent on how to apply all of the regulatory requirements of the Board of Higher Education. In many instances the questions presented to the Visiting Committee were difficult to address as the proposal presented educational innovations not easily addressed under the regulations.* (January 8, 2016 Report of the Visiting Committee to Sattler College)

In its extensive initial report of January 8, 2016, the Committee asked for significant elaborations and expanded information from Sattler's original application which covered every criteria in 610 CMR 2.07(3). The list of the 62 concerns set forth in the January 8 report can be found in Appendix A.

The Committee found Sattler's March 24 response to be a significant and valuable expansion over the initial application. Many of the Committee's previous concerns were

addressed. The core curriculum, assessment, and capstone project issues addressed in the initial report were resolved. The Committee did not conduct a substantive review of specific course content in the proposed majors but found the programs as now presented to be consistent with those at peer institutions in the number of credits, learning outcomes, and course progression.

Several areas of concern, along with some new concerns arising from the March 24 response, were sent back to the institution on April 22, 2016.

These included but were not limited to:

- As a matter of consumer protection for applicants, employees and students, increased clarity and transparency concerning the mission and precepts of the institution in all publications and communication is needed. There is a need for more clarity also impacted the College's planning and evaluation plan.
- As no faculty and only one administrator has been hired, Sattler should be required to submit to the DHE for review the curriculum vitae of the initial faculty and administrators hired for each program.
- More specificity is needed in the Faculty Handbook on protections for faculty in the event of non-reappointment.
- Several recommendations are included for clarifying language and policies in the student handbook, codes of student conduct, and complaint procedures.
- More attention is needed to the provision of student services such as counseling and disability services.
- Continued questions about governance, particularly as it related to conflicts of interest and roles, are raised.
- There is a concern about the continued reliance on a single donor, the lack of revenue diversity, and the enforceability of the single donor's pledge.
- Materials are needed to be transparent about the fact that students will not be eligible for Title IV aid programs.

As referenced above, the Committee also referred three questions to DHE Legal Counsel at this time. The Committee believed that these questions, which related to the viability of Sattler's funding and its expressed intent to offer preference in employment to individuals with religious beliefs that conformed to its Founding Precepts, were outside of its areas of expertise.

DHE Legal Counsel worked with Sattler's counsel and representatives to make adjustments to the terms and language of the funding pledge from Dr. Kuruvilla so as to ensure the reliability and irrevocability of the funding. The resulting pledge is guaranteed for five years and cannot be revoked; while the funding can be withheld after Sattler's first five years, it can only happen in a narrow set of circumstances. This was necessary in order to meet the financial stability and adequacy requirements of 610 CMR 2.07(3)(f).

DHE Legal Counsel also worked with Sattler's counsel and representatives to clarify Sattler's proposal that it would give preference in employment to those with religious beliefs that are compatible with the tenets upon which Sattler was founded. In order for this proposal to satisfy the requirement of 610 CMR 2.07(3)(j) – that an institution shall not engage in illegal discrimination on the basis of (among other characteristics) religion – DHE Legal Counsel needed to determine the legality of Sattler's plan. After lengthy

discussions on this subject, Sattler modified its proposal of preference in employment to only include certain faculty and administrators who participate in Sattler's Discipleship Program, as those employees have ministerial responsibilities as part of their job descriptions and performance. Sattler has agreed to make clear representations to faculty and administrators who will be part of the Discipleship Program that their jobs would include a ministerial function. Counsel for Sattler has advanced a reasonable argument that Sattler's proposal to offer preference in employment to faculty and administrators who participate in the Discipleship Program does not constitute illegal discrimination such that Sattler's application would not be in compliance with 610 CMR 2.00.

The Committee found Sattler's May 7, 2016 response to the second report, along with the guidance from DHE Legal Counsel on the questions related to the viability of funding and preferences in employment, to provide sufficient assurances that Sattler College was prepared to receive its initial authorization from the BHE to organize and award the five degrees, pending certain conditions. It also made several suggestions to Sattler to enhance its work over the next several months.

PUBLIC HEARING

The required public hearing will be held on November 22, 2016 at the Department of Higher Education, located at One Ashburton Place in Boston, Massachusetts.

STAFF ANALYSIS AND RECOMMENDATION

Staff has thoroughly reviewed all documents submitted with the petition for degree granting authority, two team reports and recommendations, and the petitioner's responses to those reports, and has met with the petitioners three times, twice including DHE's Legal Counsel. Following the response by DHE Legal Counsel, the Visiting Committee has recommended to the DHE that Sattler College be approved for initial conditional authorization. The conditions specified are based on the fact that criteria in 610 CMR 2.07(3) relating to faculty and physical resources could not be evaluated, as this is a new institution with no faculty and no permanent physical resources.

Staff finds that Sattler College's proposal meets the requirements outlined in 610 CMR 2.07, with the conditions specified. Recommendation is for approval of the College's petition for initial, conditional authorization to incorporate in the Commonwealth of Massachusetts and to offer the following degrees:

- Bachelor of Science in Business
- Bachelor of Science in Computer Science
- Bachelor of Science in Human Biology
- Bachelor of Arts in Biblical and Religious Studies
- Bachelor of Arts in History

Attachment A

Promise of financial resources

I, Finny Kuruvilla, do hereby grant the following funding stream generated by my financial interest in Eventide Asset Management LLC (One International Place, 35th floor, Boston MA) (“Eventide”) to the corporation to be known as Sattler College, Inc. (“the College”), which has its fiscal year ending in June:

- | | |
|-------------------------|-------------------------------------|
| 1. Year 1: | \$450,000 |
| 2. Year 2: | \$1,400,000 |
| 3. Year 3: | \$1,800,000 |
| 4. Year 4: | \$1,980,000 |
| 5. Year 5 | \$2,400,000 |
| 6. Year 6 to perpetuity | \$2,400,000, adjusted for inflation |

This promise of financial resources is contingent upon the Massachusetts Board of Higher Education (MBHE) approving Sattler College’s degree-granting petition before December 31, 2016. In the event that the State of Massachusetts does not approve the petition by December 31, 2016, or other governmental causes prevent the opening of the College, this grant shall not occur. After MBHE approval, the Board of Trustees of the College shall declare the opening year of the College in which classes shall commence. Year 1 represents the preparatory year of hiring administrators, faculty, and staff; Year 2 represents the year in which classes begin. This Board of Trustee declaration after MDHE approval shall commence the funding stream, which then shall be unconditionally granted for five years.

Beyond five years, payment of the Gift to the College, or any portion thereof, shall continue unless the Founding Precepts of the College are modified (these Precepts are found in Article I of the By-Laws of the College as submitted to the Secretary of the Commonwealth of Massachusetts in July 2015). Immaterial changes for legal compliance or strengthening the By-Laws are exempted. For modifications to be material hereunder, and thus potentially leading to termination of funding, such modifications would have to undermine the Christian foundation or weaken the commitment of the By-Laws to the historic Christian faith in a theological or practical manner. This includes doctrinal changes or changes to the interpretation of Scriptural commands as described in the Founding Precepts. The determination of whether a modification is material shall be made solely by me in my discretion as the donor of this funding stream. Should the Founding Precepts be modified in this manner, the College shall have nine months to remediate any such violation. No funds shall be restricted, cut off, or otherwise modified during the period of remediation. Additional funds beyond the Gift may be donated to the College by me at my discretion.

Each annual contribution may be reduced by an amount equal to half of the total revenue (other than net tuition and fees) received by the College from other sources that year. This reduction would occur in the following fiscal year. The contributions described above (“The Gift”) shall be limited on an annual basis to my financial interest in and funds paid by Eventide Asset Management LLC in the Ekklesia Fund, GP Pref Returns (FM and B Class), and the EstPM Bonus for 3 Star Funds, as of Eventide’s fiscal year end. A ten-year projection of my financial interest in Eventide Asset Management is

described in the document entitled “Eventide Funding Estimate – 10 year period” dated November 10, 2016, submitted to the Massachusetts Board of Higher Education on November 10, 2016.

Signed,

Finny Kuruvilla
52 Oakland Street
Medford, MA 02115

Dated:

58349./599435.4

Attachment B
(Financial Projections)

Appendix A

Recommendations from First Visiting Committee Report January 8, 2016

The following are the recommendations from the January 8, 2016 Visiting Committee Report. The Visiting Committee acknowledged that the applicant had done much hard work in preparing its application and was well along the road to approval, but stated that many specific recommendations in the Committee's report needed to be addressed before the Visiting Committee could recommend approval. In the view of the Visiting Committee, recommendations marked throughout with an * were essential items to be addressed prior to an approval recommendation.

Recommendations:

1. The goal of the promotion of Christian character within the mission needs to be further defined, along with the implications of that definition for all aspects of the institution.
2. The Visiting Committee was unable to determine whether the mission of the institution is fully articulated clearly in all publications and representations as documents such as advertisements and website prototypes have not yet been developed. These need to be provided and reviewed. **
3. While it was stated at the site visit that there was the intent to make the institution fully diverse, non-discrimination statements were inconsistent; they need to be clarified and incorporated in publications and web materials.
4. The applicant needs to clarify how its mission and precepts can be reconciled with the requirements of the Commonwealth concerning such matters as governance by the Board of Trustees, role of the faculty or nondiscrimination in education and employment.
*
5. The institution has done a great deal of work to create its application documents. However, it needs to further develop its mechanisms for institutional and programmatic planning and ongoing evaluation as well as for strategic planning and public accountability. *
6. The applicant needs to present further information and revisions to the By-Laws to ensure that all four sets of the regulatory requirements concerning organization and governance (610 CMR 2.07(3)(b)) are met. *
7. The applicant should present further details on the qualifications and selection process of a chief academic officer.
8. The applicant should present further details concerning the qualifications, roles, and selection of faculty. The roles and responsibilities of faculty should be further detailed in the faculty handbook.
9. All non-discrimination statements need to be consistent and fully inclusive.

10. Dr. Kuruvilla, Incorporator, should extend the deadline for his commitment to the new institution. At present his commitment expires at the end of 2015. As will be discussed below, he also needs to present further evidence of his commitment to support the institution. *
11. The applicant needs to work with the Department of Higher Education staff to develop a viable timeline for addressing the recommendations of the Visiting Committee and the staff of the Department of Higher Education to complete the application and related submissions so the Board of Higher Education can consider approval.
12. Balance the core curriculum in line with the state standard to include more courses in social sciences, sciences, literature and the arts, and quantitative reasoning in place of some of the existing requirements, prior to seeking approval. *
13. The College should seek initial approval for the Biblical and Religious Studies and History majors only, with Business Administration, Computer Science and Human Biology offered as minors, or it should consult with subject area experts in these three disciplines to redesign and expand the curricula to provide a sufficient level of breadth and depth to be considered a major as compared to those at other colleges (this would likely require contraction of the core curriculum.) *
14. Develop a pedagogical and assessment framework for course level distinctions and review the currently proposed course offerings in that framework to provide a clearer pedagogical progression within each program. *
15. Identify and develop 400-level courses in each program. *
16. Clarify the summative and integrative nature of required capstone projects and related assessment.
17. Re-write learning outcomes into more specific and discrete statements that can be assessed independently; identify specific assessments for each outcome. *
18. Develop a clear and multi-dimensional program-level assessment plan that comprises more than the related course assessments. *
19. Provide evidence of ability to meet the standards of “*appropriately qualified faculty in sufficient numbers to meet all requirements of the institutions course of study*” [Standard 2.07 (3) (d)] and “*at least one full-time faculty member teaching in each baccalaureate program shall hold a doctoral or other terminal degree, or equivalent experience and/or attainment in the appropriate field.*” [Standard 2.07 (3) (d) 1b].
20. Clarify the distinctions between administrators who teach and full-time faculty members.
21. Include a clear statement on academic freedom, with specific reference to how this relates to the College’s precepts, in the Faculty handbook (this should be a condition of initial approval.)
22. Elaborate the termination provision of the Faculty Handbook to include clear criteria for termination and an explicit and timely process that ensures due process and fair treatment.*
23. Elaborate the process and criteria for faculty performance evaluation and promotion, including the role of scholarship and professional development. *

24. Add a process for changes to the Faculty Handbook, specifying where faculty have input into the process. *
25. Delineate the admissions criteria with greater specificity. Provide examples of the types of non-traditional activities and experiences that qualify the students for consideration for admission. Consider assigning value or weight to each criterion to develop a profile of the student most likely to be successful at Sattler. Consider requiring letters of reference from professionals who have contributed to the student's growth. *
26. Develop comprehensive marketing studies and materials. *
27. Revise the enrollment plan to make provisions for student attrition *
28. Consider how to incorporate transfers into the cohort model
29. Review and edit the medical leave policy
30. Develop a student complaint policy with associated procedures outlined *
31. Define and develop measures to evaluate student Christian discipleship and Christian character development
32. Incorporate into job descriptions the appropriate credentials and/or required professional training for faculty-mentors charged with student Christian character development
33. Revise the Student Code of Conduct to include detailed descriptions of prohibited behaviors and comprehensive disciplinary procedures (to include an appeal process) that will be followed when a student is accused of a violation. *
34. Increase professional staffing to include a Master's or doctoral prepared ordained Chaplain or Pastor to oversee all activities related to student Christian character development and discipleship. *
35. Further work must be done to diversify the revenue stream and to investigate mechanisms to assure sufficient revenues will be available in the future. *
36. Prepare studies to provide evidence of student demand for the proposed programs. *
37. Develop a net price calculator that reflects the full cost of attendance to enable prospective students to better evaluate Sattler's competitive position in terms of cost and to assist in evaluating the Sattler option.
- 38. *Develop a more diverse revenue stream, possibly including a true endowment or irrevocable trust-like instrument to assure adequate funding into the future.* ***
39. Reconsider faculty work loads to assure the college is as efficient as it intends to be while also assuring sufficient faculty time to perform such responsibilities as mentoring Christian discipleship, which is not a faculty responsibility in most institutions.
40. Address the inconsistency between the Form 2A faculty hiring plan and the projected financial statements to assure the financial model adequately accounts for the cost of the faculty hiring plan. *
41. Review the full cost of salaries and related payroll taxes and employee benefits to assure the financial model adequately accommodates the full cost of compensation for all personnel. *

42. Review the resources required to secure and operate appropriate facilities to be sure they are adequately represented in the budget.
43. Clarify with MIT, BPL and other libraries what privileges and services will be available to Sattler students and determine if additional subscriptions or other costs need to be budgeted. Provide written assurance that these privileges and services will be provided by those institutions. *
44. Incorporate into the projected budget the cost of services such as disability services, services to veterans, psycho-social counseling services for students, student health care, faculty training and development, and the like, whether provided by staff or through contracts. *
45. Review how administrative tasks will be accomplished, what systems will be employed, and what safeguards can be put in place to provide adequate separation of duties and protection against fraud and abuse while meeting all external regulatory and reporting requirements.
46. Confirm the administrative and financial arrangement for addressing the health and counseling needs of students to include accommodations for students with disabilities, veterans and other special populations. *
47. Address the resources available to students to purchase books and other auxiliary services prospective students are likely to inquire about and enrolled students are likely to need.
48. Delineate the policies and procedures for applying for and awarding financial aid. *
49. Revise and edit the Student Complaint and Grievance Policy. *
50. Develop facilities that provide classrooms of sufficient number, size and equipment to meet instructional needs of the programs. *
51. Address office needs for faculty, administration, student services. *
52. Assure all facilities meet accessibility standards.
53. Assure that all leased space complies with fire, health and safety standards and do not rely solely on building owners to accomplish this.
54. Determine the appropriate balance between the quality/location of space and cost.
55. Although the college does not plan to offer housing, some effort should be made to develop a mechanism for assisting students in finding appropriate, safe housing when needed. This will be of special importance to support the desired diverse, international student body.
56. Ensure that there is a staff resource available to students and faculty with specific library training and responsibility, either at Sattler itself or easily identifiable at the remote sites
57. Ensure that students and faculty will have full remote online access to MIT and BPL resources, including online reference and full-text databases, as database vendors typically place firm restrictions on remote user access for populations that are not part of the hosting institution *

58. Develop convenient processes for delivery and return of borrowed materials
59. Specify how students will be provided with instruction in information literacy and assistance in meeting their specific information needs (e.g. search support, database training and assistance, etc.), either through Sattler staff or the external sites. Secure letters of support from MIT and the BPL outlining their specific commitments to Sattler students and faculty
60. Discuss and delineate how the institution will remain faithful to its mission and comply with the law*
61. Secure legal counsel to review the proposed policy on non-discrimination as well as other statements and practices required by law
62. Develop the necessary educational programs and practices related to the sexual harassment policy