

**BOARD OF HIGHER EDUCATION**  
**REQUEST FOR COMMITTEE AND BOARD ACTION**

**COMMITTEE:** Academic Affairs

**NO.:** AAC 18-21

**COMMITTEE DATE:** February 27, 2018

**BOARD DATE:** March 6, 2018

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**REVOCATION OF THE DEGREE GRANTING AUTHORITY OF THE NEW ENGLAND  
INSTITUTE OF ART, LLC**

**MOVED:** The Board hereby revokes the legal authority of **The New England Institute of Art, LLC** to operate and grant degrees in the Commonwealth of Massachusetts retroactive to December 31, 2017.

**Authority:** Massachusetts General Laws Chapter 69, Section 30 et seq.

**Contact:** Winifred M. Hagan, Ed.D.,  
Associate Commissioner for Academic Affairs and Student Success  
Ashley H. Wisneski, Esq., Assistant General Counsel

## **Background**

The New England Institute of Art, LLC (NEIA) is a private, for-profit college located in Brookline, MA, and is a subsidiary of Education Management Corporation (EDMC), a privately held corporation based in Pittsburgh, PA. NEIA was originally the Norm Prescott School of Broadcasting, a trade school founded in 1952, and became The Northeast Broadcasting School in 1962. In September 1995, the school was granted the authority by the Higher Education Coordinating Council to offer associates degrees and was renamed the Northeast College of Communications. In 1997 the institution's name changed again to Massachusetts Communications College.

In 1999 the school was purchased by EDMC and in 2001 changed its name once again to The New England Institute of Art and Communications. In December 2001, the Board of Higher Education (BHE) granted the institution the authority to award bachelor degrees. A final name change, to the current NEIA, was made in 2003.

Until recently, EDMC was the parent company of 102 for-profit institutions nationwide, including South University, Argosy University and The Art Institutes, including NEIA. In October 2017, EDMC sold substantially all of its assets to a non-profit entity, the Dream Center Foundation; several Art Institutes, including NEIA, were not included in the sale either because the campus was not enrolling new students and was teaching out or because additional regulatory approvals are required.

On April 22, 2015, due to decreasing student demand, as well as "changing conditions and external forces," NEIA's Board of Trustees voted to cease enrollment of new students and teach out the remaining NEIA students, with a goal of closing the institution as of December 31, 2018. BHE staff was notified of the planned closure and teach-out on May 5, 2015; at that time, NEIA enrolled 442 students in 14 programs (1 certificate, 2 associates, and 11 bachelors).

As part of the teach-out, students were given the opportunity to continue with their academic programs until completion. In addition, NEIA arranged transfer and articulation agreements for students with the School of the Museum of Fine Arts, Mt Ida College, Bay State College, the New Hampshire Institute of Art, Newbury College, and Endicott College. Students were also provided the opportunity to complete their degree programs online through the Art Institute of Pittsburgh, the flagship Art Institute owned by EDMC. Because of transfer, attrition, and early completion, NEIA's closure date was moved up by one year, and the final students completed their programs by December 15, 2017.

At one point during the teach-out, EDMC approached BHE staff with a proposal to sell NEIA to a foreign non-profit entity, the Ritnand Balved Education Foundation (the Foundation), which operates the India-based institution Amity University, and cancel the teach-out. However, after BHE staff submitted a series of questions about the transaction, Amity University's intentions for NEIA, and the Foundation, EDMC and the Foundation elected to discontinue their talks and not proceed with the proposed transaction.

Throughout the closure process, NEIA worked closely with BHE staff to ensure compliance with state requirements related to the closure of the College. The required Notice of Closure documentation was submitted to BHE staff on May 5, 2015, and NEIA submitted quarterly reports as required throughout its teach-out. All submissions have been deemed thorough and complete.

In compliance with M.G.L., c. 69, §30A and 610 CMR 2.10, a public hearing regarding the closure of NEIA was held on December 21, 2017 at the Department of Higher Education, Room 1401, One Ashburton Place, Boston, MA 02108. However, because NEIA was unable to comply with the legal publication requirements in a timely fashion prior to the hearing, BHE staff provided a public comment period through January 16, 2018.

**Staff Recommendation**

Staff recommends that the Board revoke the authority of The New England Institute of Art, LLC to operate and grant degrees in the Commonwealth of Massachusetts retroactive to December 31, 2017.