Task Force Recommendations Accepted

Following input from the membership, the ACSA Board of Directors voted unanimously on November 14 to accept all five task force recommendations regarding NAAB and ACSA.

1. Sign an MOU
2. Change NAAB Board Structure
3. Sign a Joint Operating Agreement
4. Adjust the Revenue Model
5. Create the Education Coordinating Council

Next Steps
Each of the five collateral organizations—ACSA, AIA, AIAS, NAAB, and NCARB—are reviewing the recommendations for action.

We await decisions by our collateral partners in moving forward with this process.
Recommendation 1. Sign an MOU

The five collaterals should sign a memorandum of understanding (MOU) that
• Specifies the desired ends
• Outlines their commitment to achieving them
• Creates a multi-collateral body to achieve them
• Shows a timeline for completion of the work

From the perspective of ACSA:
• The MOU keeps the process on track, and prevents changes in collateral board leadership from resulting in a reassessment of the original agreement.
• The MOU also emphasizes the critical interrelation of the five recommendations, and discourages their selective implementation.
Recommendation 2.
Change NAAB Board Structure

Recommendations:
• Remove the collateral seats
• Allow collaterals to nominate for any seat
• Change the ratio of educators to practitioners

From the perspective of ACSA:
• The task force agreed, and ACSA concurs, that experience in education benefits accreditation, much in the way that experience with practice benefits the regulation of licensure.
• The current ratio of educators to practitioners is 1:2. This is inequitable on a board with significant influence over education.
• The recommendation helps remove collateral politics from the NAAB board.
• ACSA believes, and the task force emphasized, that there should be clear criteria for NAAB directors in all categories—educator, practitioner, student, and public member.
Recommendation 3.
Sign a Joint Operating Agreement

From the Perspective of ACSA:

• This recommendation addresses our concern that architecture spends more on its accrediting body than our peer professions.

• An ACSA study compared the accreditation budgets for multiple professions found that architecture spends nearly 3 times more than interior design or planning.

• This is a concern not only for architecture programs, but also for university provosts.

• Ultimately, the cost of the accrediting body has an impact on the cost of architecture education. In turn, this directly impacts students.
Recommendation 3. JOA (continued)

Accounting Firm Review
This spring ACSA and NAAB hired an independent accounting firm to identify potential redundancies and savings between the two organizations’ budgets. The report found:

• ACSA and NAAB serve the same constituent/customer base.
• Excess capacity exists at NAAB’s headquarters, which would allow for co-location.
• Operational alignment can result in savings:
  – An estimated 5% of total combined budgets could be saved from co-location and from combining finance and human resources.
  – Other areas had potential for savings, but were not immediately quantified.
Recommendation 3. JOA (continued)

By seeking a Joint Operating Agreement, ACSA and NAAB can realize some already quantified savings, and can explore additional savings.

**Potential savings from a JOA:**

- Dotted items are discrete areas of operations. Rent, finance, and administration are shared savings in the center.
- Other areas explored last year for savings, but have not been quantified.
- A JOA does not mean the organizations blur together. Combined communications and research operations can use staff resources efficiently.
Recommendation 4. Adjust the Revenue Model

This recommendation changes the ways in which NAAB receives revenue for accreditation and changes the proportional allocation of funding between schools and the profession. Here are current channels for NAAB funding.

**Current NAAB Funding Sources**

~$1.8 million total annual budget

ACSA, AIA, and NCARB provide equal contributions for NAAB accreditation activities, more $450,000 each in 2015.

**Current ACSA Support to NAAB Comes From Annual Dues**
Recommendation 4. Revenue (continued)

The new funding model combines school fees with collateral contributions, and increases schools’ share of revenue.

1. Architecture programs pay accreditation fees.
   - ACSA members pay fees through ACSA.
   - Non-members pay 75% premium on accreditation fees.

2. Collateral funding shares adjust over 5 years.
   - Sources of revenue adjust gradually to 50% fees, 50% collateral contributions.
   - Collateral funding agreement sets revenue levels and reporting parameters.

The changes address a number of issues for both ACSA and NAAB.

- **Free-Rider Problem.** Membership in ACSA is not obligatory (and cannot be, by law). As a result, programs that do not join ACSA currently receive accreditation services without contributing revenue through dues. All accredited programs are currently ACSA members. A handful of programs in candidacy with NAAB have not joined ACSA as candidate members.

- The gradual 5-year change would track with the change in the governance structure of NAAB.
Recommendation 4. Revenue (continued)

3. As a result of the changes, revenue for accreditation increases from growth in new programs, while annual fees for continuing programs remains tied to inflation.

From the perspective of ACSA:

- This recommendation holds the line on accreditation costs for schools.
- It addresses the Free Rider Problem, so that existing schools do not underwrite new programs.
- It protects schools by keeping ACSA as the voice representing schools in funding discussions.
- It matches equitable investment of money with changes to NAAB board.
Recommendation 5. Create the Education Coordinating Council

The Education Coordinating Council (ECC) is a multi-collateral council created to realize the short-term goals and long-term aspirations identified through the Path Forward Task Force.

The Path Forward Task Force identified better coordination of the continuum of education—from K–12 through college, followed by internship, and continuing education—as a long-term outcome from this process.

- They developed models for realizing the desired coordination.
- Most of these, while broadly aspirational, did not go far enough in addressing pressing current issues.
The task force also looked at the practicalities of funding for NAAB and the existing overlap and affinities in the work that ACSA and NAAB do to support architectural education.

The task force understood that the profession needs both the minimum standards that NAAB ensures, and the broad spectrum of work that architecture schools perform.

- This includes educating students in the interdisciplinary work that is increasingly evident in practice
- It also includes engaging in research and scholarship that serves both the profession and the discipline of architecture.
Recommendation 5. ECC (continued)

In response to these observations and aspirations, the ECC was developed with the following purpose and first-year deliverable.

**ECC Purpose**
An Education Coordinating Council will develop a robust organizational structure for the continuum of education in architecture.

**ECC Deliverable**
The Coordinating Council will deliver a model for an umbrella organization for collegiate education in architecture, including accreditation, which involves robust participation of all the collaterals.
Why Seek Change

Cost. Architecture spends more on accreditation than peer disciplines.

Equity. Decisions about accreditation impact schools dramatically.

Shared Future. Recommendations strengthen education for bigger challenges.
Why Seek Change. Cost

Architecture spends more on accreditation than peer disciplines.
- The JOA seeks savings without compromising the integrity of accreditation and, by extension, the profession.
- Accreditation contributes directly to the high cost of education, and that cost is ultimately borne by our students.

People have expressed concern that this focus on cost would be a takeover of NAAB or, conversely, a narrowing of support for education.
- The JOA would preserve and protect the unique activities of each organization.

We believe the collaterals must address the cost of accreditation and at the same time connect investment in architectural education to the broader success of the profession and the discipline.
Why Seek Change. Equity

Decisions about accreditation impact schools dramatically.

- We want to remove the politics that are inherent to having collateral seats on the NAAB.
- We see this as a continuation of a process of looking beyond narrow collateral interests to larger shared interests.
- The process began with the 2013 Accreditation Review Conference and continued with NAAB’s current proposal to remove collateral seats from visiting teams.

Equity of voice is paramount and found elsewhere in architecture.

- Policy-making bodies that affect practitioners would never allow twice as many educators as practitioners to create policies. This is because practitioners realize they will be compelled to live with any policies that affect them. The same logic must hold true for accreditation and schools.
- Accreditation in higher education is a peer review process. We believe that the composition of the NAAB Board should better reflect this.
Why Seek Change. Shared Future

The recommendations strengthen education for bigger challenges.

The ACSA board wants an agreement for the future of architecture education that involves all of the collaterals directly, because all stakeholders need the profession to thrive in a changing environment, and because we believe that architectural education plays a central role in ensuring that prosperity.
Paths Forward. Background

Since 2013, when NAAB proposed a new collateral funding agreement with steep increases in contributions and less oversight, ACSA has asked for fundamental change in NAAB’s funding, scope, and governance.

- One year ago, ACSA and NAAB announced merger discussions using a model that sought to preserve the two bodies’ independent roles and functions while combining staff duties and leveraging other resources.
- In February 2015 the NAAB directors voted not to pursue the merger. Instead, the organizations agreed to include all five collaterals in a Path Forward Task Force to expand discussions and consider multiple options to address the funding of NAAB as well as NAAB’s relationship to the ACSA and the other collaterals.
Path Forward Task Force

The Path Forward Task Force met in person and on the phone from April to August 2015, using a facilitator to channel discussions forward.

• The results of this most recent phase are consensus recommendations from the Path Forward Task Force.
• The Path Forward Task Force recommendations represent compromise to balance collateral interests.

Task Force Members (all current or recent leaders of their respective boards)

ACSA    Marilys Nepomechie, Mo Zell, John Cays, Michael Monti (executive director)
NAAB    Patricia Kucker (ACSA nominee), Tamara Redburn (AIA nominee), Ron Blitch (NCARB nominee), Andrea Rutledge (executive director)
AIA     Russ Davidson, Bill Bates
AIAS    Obi Okolo, Ryan McEnroe
NCARB   Dale McKinney, Alfred Vidaurri
ACSA and NAAB. Actions

At November’s Administrators Conference, the ACSA board engaged participants in an update and discussion of outcomes from a multi-year process focused on the funding, governance, and oversight of NAAB.

A handout and lunchtime presentation by ACSA President Marilys Nepomechie outlined five recommendations sent forward by a Path Forward Task Force, as well as their implications for ACSA members. These recommendations were also presented in October at online caucuses.

On November 14, the ACSA board met and voted unanimously to accept the recommendations.