Public Notice of Probation as of June 17, 2015

The following institutions are currently on Probation as directed by the Accrediting Commission of Career Schools and Colleges (ACCSC). A summary of the reasons for Probation for each institution follows this list. The specific accreditation standards cited in this document are available for review by downloading the Standards of Accreditation from ACCSC’s website.

<table>
<thead>
<tr>
<th>PROBATION ORDER ISSUED</th>
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<tbody>
<tr>
<td>School</td>
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<tr>
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<tr>
<td>American College of Hairstyling</td>
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<tr>
<td>CollegeAmerica</td>
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<tr>
<td>CollegeAmerica – Fort Collins</td>
</tr>
</tbody>
</table>

What Does Probation Mean?

In cases where the Commission has reason to believe that a school is not in compliance with accreditation standards and other requirements, the Commission may place a school on Probation. A school subject to a Probation Order will be required to demonstrate corrective action and compliance with accrediting standards.

The Commission may require a school to submit Commission-directed reports and receive on-site evaluation teams in conjunction with a Probation Order. Failure to demonstrate compliance with accrediting standards or other accrediting requirements by the end of the probationary period may result in the school being removed from the accredited list.

When a Probation Order is directed, a written notice is sent promptly to the school. The notice:

- States fully the reasons why the Probation Order was issued;
- Identifies the standard and other accreditation requirements with which the school may not be in compliance;
- Explains the reasons and cite the evidence indicating that the school may not be in compliance with accreditation requirements; and
- Advises the school of its obligations under the Probation Order and the deadline for response.

ACCSC’s Rules of Process and Procedure require a school subject to a Probation Order to inform current and prospective students that the school has been placed on Probation and that additional information
regarding that action can be obtained from the Commission’s website. A copy of the Probation Order is made public via the Commission’s website in accordance with Section VII (L)(7), Rules of Process and Procedure, Standards of Accreditation¹.

Commission Action Factsheet
The Commission Action Factsheet is designed to provide information on the types of actions afforded to the ACCSC Commission under the Standards of Accreditation. For a definitive overview of Commission Actions, be sure to review Section VII, Rules of Process and Procedure, Standards of Accreditation.

¹ See March 18, 2014 Accreditation Alert.
March 31, 2015

Yasmin Acevedo
Director
Advance Tech College
P.O. Box 55407 Station One
Bayamón, Puerto Rico 00960

Dear Ms. Acevedo:

At the February 2015 meeting, the Accrediting Commission of Career Schools and Colleges (“ACCSC” or “the Commission”) considered the Application for Renewal of Accreditation submitted by Advance Tech College (“ATC”) located in Bayamon, Puerto Rico. In addition, the Commission considered notification of the school’s delinquent audited financial statements, sustaining fees and annual report fees. Upon review of the October 23, 2014 Team Summary Report (“TSR”) and the school’s response to that report, along with the Commission’s previous decisions summarized below, the Commission voted to place ATC on Probation with a subsequent review scheduled for ACCSC’s May 2015 and August 2015 meetings. The reasons for the Commission’s decision and the Commission’s requirements for the school to demonstrate compliance are set forth below.

History of the Commission’s Review:

May 2014

At the May 2014 meeting, the Commission considered the April 22, 2014 response submitted by ATC as it pertains to the February 7, 2014 Heightened Cash Monitoring 2 (“HCM2”) method of payment notice issued by the U.S. Department of Education (“the Department”) due to the school’s denial of recertification. Upon review of the March 14, 2014 Commission Letter and the school’s response, the Commission voted to place ATC on Warning with a subsequent review scheduled for the Commission’s September 2014 meeting.

November 2014

At the November 2014 meeting, the Commission reviewed ATC’s response to the Warning which included a description of the financial position; description of new policies and procedures, an Institutional Teach-Out Plan; and an update as to the school’s HCM2 status. Upon review of the July 23, 2014 Warning Order and the school’s response, the Commission voted to continue the school on Warning with a subsequent review scheduled for ACCSC’s February 2015 meeting. This action was held in abeyance to be combined with the review and action of the Renewal of Accreditation in February 2015.

February 2015 Commission Review and Action

At the February 2015 meeting, the Commission considered ATC’s Application for Renewal of Accreditation and the notice of the school’s delinquent audited financial statements, sustaining fees and annual report fees.

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1 The school was placed on Show Cause (Warning) in May 2014 and continued on Warning in November 2014.
2 Effective July 1, 2014, the Commission adopted a common framework for Commission Actions whereby Show Cause is now Warning.
annual report fees. Upon review of the TSR and the school’s response to that report, along with the Commission’s previous decisions the Commission determined the following.

1. ATC must demonstrate that the financial structure of the school is sound, with resources sufficient for the proper operation of the school and the discharge of obligations to students (Section I (C)(1), Substantive Standards, Standards of Accreditation). The Commission requires each school holding accreditation status to submit a Financial Report each year, to include the school’s financial statements prepared in accordance with the ACCSC Instructions for the Preparation and Submission of Financial Statements and Related Information (Section V(C)(1), Rules of Process and Procedure, Standards of Accreditation).

In the July 23, 2014 Warning, the Commission noted that ATC did not submit the following:

- Audited financial statements for the fiscal year end December 31, 2013; and

In response to this Warning the school again failed to submit these required reports and fees.

a. Audited financial statements for the fiscal year end December 31, 2013, submitted in accordance with the requirements set forth in ACCSC’s Instructions for the Preparation and Submission of Financial Statements and Related Information;

b. The ACCSC Sustaining Fees Calculation Worksheet;

c. FY 2015 Sustaining Fee and Annual Report Fee;

d. Late fees of $1,000 ($500 for the late FYE 2013 financial statements and $500 for the late Sustaining Fee and late Annual Report Fees);

e. The school’s fiscal year 2015 budget and a budget-to-actual analysis for fiscal year 2014; and

f. Any other information or documentation that the school believes will assist the Commission in its review of the school’s financial position.

2. ATC must demonstrate that the school is currently operating and training students in accordance with its primary objectives (Section I (E)(2)(b), Rules of Process and Procedure, Standards of Accreditation). In response to the July 23, 2014 Warning, the school provided an ACCSC Institutional Teach-Out Plan. The Commission noted that the Teach-Out Plan only identifies six students that were expected to graduate by September 30, 2014. Subsequent to the school’s response to the July 23, 2014 Warning, ATC provided an update showing that out of the six students listed in the Teach-Out Plan, three students graduated and three students withdrew. As such, the Commission is interested in obtaining additional information regarding the status of any new student enrollments and whether the school is operating and training students. Therefore, the Commission directs the school to provide a roster of all currently enrolled students and an updated Teach-Out Plan Approval Form with all attachments.

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3 The school was placed on Show Cause (Warning) in May 2014 and continued on Warning in November 2014.

4 Fiscal Year 2015 sustaining fees and Annual Report fees were due June 30, 2014.
Response Requirements for Items #1 and #2

ATC must upload the school’s electronic response directly to ACCSC’s College 360 Database. The ACCSC College 360 database can be accessed by clicking here. Please note that the password utilized by the institution to access the Annual Report Portal is the same to access the School Submission section of the College 360 database. The Instructions for College 360 DMS Submissions can be found here. A detailed overview on how to upload a school submission can be found here.

Keep in mind, the school’s response must be prepared in accordance with ACCSC’s Instructions for Electronic Submission (e.g., prepared as one Portable Document Format (“PDF”) file that has been prepared using Adobe Acrobat software (version 8.0 or higher) and which has a .pdf extension as part of the file name). The school will receive an e-mail confirmation that the file has been received within 24 hours of the submission.

The response must also include a signed certification attesting to the accuracy of the information and be received in the Commission’s office on or before April 15, 2015 for consideration at the Commission’s May 2015 meeting. If a response is not received in the Commission’s office on or before April 15, 2015, the Commission will consider further appropriate action. Failure of the school to submit the delinquent audited financial statements, sustaining fees and annual report fees listed above will result in a revocation of accreditation action.

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3. ATC must demonstrate that the school has on-site supervision by an individual or team with the appropriate combination of experience and demonstrated ability to lead and manage a post-secondary educational institution (Section I (A)(1)(a), Substantive Standards, Standards of Accreditation). The on-site evaluation team determined that the management team did not appear to have clearly defined roles that provided each individual the ability to successfully manage the institution and that the management team’s limited knowledge and understanding of accrediting standards required supplementation by a consultant to assist in maintaining compliance with accrediting standards. In response, ATC provided “a timeline of events [that] occurred during the years 2013-14 with the ATC’s [sic] administrative staff.” The staff referenced include William Cuevas Irizarry, Academic Director, Evelyn Arocho, Director, and Pablo Ilas, Financial Aid Director. Due to issues of repayment with the U.S. Department of Education (“the Department”), all three (3) employees were dismissed in January 2013. Additionally, in response to the Department’s February 7, 2014 letter denying the recertification application for ATC to participate in the Federal Student Financial Assistance Program, the school “established a reorganization plan” in November 2014 including the following individuals:

- Eng. Edwin Colón – President and Financial Officer
- Dr. Jesus Sánchez Olmo – Executive Director
- Yasmin Acevedo – Financial Aid Director
- Elba I. Santiago – Academic Coordinator and Employment officer – new employee
- Mirelba Acevedo – Admissions Officer – New employee

Although ATC provided the names and job titles of the current employees, the school did not provide any information or documentation that each of these individuals possesses the appropriate
combination of experience and demonstrated ability to lead and manage a post-secondary educational institution. As such, the Commission directs ATC to submit the following:

a. A roster of all management and administrative staff members (including program directors but not instructors), currently employment by the school, in the following format:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position/Department</th>
<th>Date Employment Began (m/y)</th>
<th>Date Employment Ended (m/y) [if applicable]</th>
<th>Reason Employment Ended [if applicable]</th>
</tr>
</thead>
</table>

b. An explanation as to how each individual listed in the Table in (a.) above has an appropriate combination of education, experience, necessary to fulfill his/her role in the school;

c. An explanation as to how the team of management and administrative staff has sufficient education and experience to lead and manage the school appropriately;

d. A résumé and Staff Personnel Report for each employee listed in the Table in (a.) above; and

e. Any additional information that the school believes will be useful to the Commission in making a determination regarding the school’s compliance with accrediting standards regarding management and administrative capacity.

4. ATC must demonstrate successful student achievement by maintaining acceptable rates of student graduation and graduate employment in the career field for which the school provided education (Section VII (B)(1)(b), Substantive Standards, Standards of Accreditation). Although the school submitted student achievement rates, the information was not submitted on the ACCSC Graduation and Employment (“G&E”) Chart as directed in the TSR. In addition, the “Period” included in the submission for the 13-month Cosmetology program and 13-month Barber Hairstyle program is listed as October 2011 through September 2012 but the correct reporting period is September 2011 through August 2012. Additionally, ATC’s documentation for each graduate classified as “self-employed” is not translated and not all forms appear to be signed by the graduate as required by Appendix VII – Guidelines for Employment Classification. As such, the Commission found that ATC failed to demonstrate the school’s compliance with accrediting standards and directs ATC to submit the following:


b. Summary information for each Graduation and Employment Chart organized according to the corresponding cohort start date reported on the chart (line #1) as follows:

i. For each student start, provide the following information:

<table>
<thead>
<tr>
<th>Student Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Graduation Date</th>
<th>Withdrawal/Termination Date</th>
</tr>
</thead>
</table>

ii. For each student classified as “Unavailable for Graduation” (line #6), provide the following information:

<table>
<thead>
<tr>
<th>Student Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Reason Unavailable</th>
</tr>
</thead>
</table>
iii. Supporting and verifiable documentation for each student in (ii.) above to include minimally, external documentation such as military orders, letter from physician/doctor, death notice/obituary, public record of incarceration.

iv. For each graduate classified as employed in the field\(^5\) (line #14), provide the following information:

<table>
<thead>
<tr>
<th>Graduate Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Employer Name, Address, &amp; Ph. #</th>
<th>Employer Point of Contact</th>
<th>Date of Initial Employment</th>
<th>Descriptive Job Title and Responsibilities</th>
<th>Source of Verification(^6) (i.e., graduate or employer)</th>
</tr>
</thead>
</table>

v. From the list in (iv.) above, for each graduate classified as employed in a training related field, that is “self-employed,” provide the following:

<table>
<thead>
<tr>
<th>Graduate Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Description of the Documentation on File</th>
</tr>
</thead>
</table>

vi. Supporting and verifiable documentation for each graduate in (v.) above to include a signed statement from the graduate acknowledging that the self-employment is aligned with the individual’s employment goals, is vocational, is based on the education and training received, and that the graduate is earning training related income along with some form of verifiable documentation to demonstrate that the self-employment is valid.

vii. For each graduate classified as “Graduates-Further Education” (line #11) or “Graduates-Unavailable for Employment” (line #12), provide the following information:

<table>
<thead>
<tr>
<th>Graduate Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Classification on the G&amp;E Chart</th>
<th>Reason</th>
</tr>
</thead>
</table>

viii. Supporting and verifiable documentation for any student classified as “Unavailable for Graduation” (line #6), “Graduates-Further Education” (line #11), “Graduates-Unavailable for Employment” (line #12), or “Non-Graduated Students Who Obtained Training Related Employment” (line #19). This should include, minimally, external documentation such as transcripts/enrollment agreements for “Graduates-Further Education” and military orders, letter from physician/doctor, death notice/obituary, public record of incarceration, etc. for “Graduates-Unavailable for Employment.”

c. Any additional information, to include contemporaneous retention, graduation, or employment data, that the school believes will be useful to the Commission in making a determination regarding the school’s compliance with ACCSC’s student achievement outcomes requirements.

5. ATC must demonstrate that the school supports reported rates of student achievement through the school’s verifiable records (Section VII (B)(1)(b), Substantive Standards, Standards of Accreditation). The TSR notes that at the time of the on-site evaluation, the school did not have documentation that a third-party verified employment classifications in accordance with the instructions in the Application for Renewal of Accreditation and the Self-Evaluation Report. In response, ATC stated that the school “decided to hire the services of BEC Solutions Group Corp, Inc.” and included the third-party report in the response submission. While the report does include “Graduate Name,” “Employer Information,” and “Verification Results,” the information does not

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\(^5\) See Appendix VIII – Guidelines for Employment Classification, Standards of Accreditation.

\(^6\) Appendix VIII (4)(a) Guidelines for Employment Classification requires the school to verify the employment classification.
include a descriptive job title and duties, date of initial employment, and whether the third-party verified the information with the employer or the graduate. In addition, three (3) of the 31 records include incomplete employer information such as “Customer’s address – 787-906-1270.”

Based on the foregoing, the Commission directs ATC to engage an independent third-party auditor to verify for accuracy ATC’s graduate placement data as reported to ACCSC and to students. The audit must be conducted by an acceptable independent third-party. The independent third-party auditor must secure or attempt to secure verification from the employer or the graduate either verbally or in writing for at least 50% of the graduate placement data (“Graduates-Employed in Field,” line 15 on the Graduation & Employment Chart) for each program submitted in the school’s 2014 ACCSC Annual Report. ATC must submit minimally the following information:

a. A detailed description of the methodology, scope, and specific investigative processes the independent third-party used to select the sample and to verify the placements including the methodology for choosing the random sample;

b. The independent third-party auditor must include a signed certification attesting to the accuracy of the information;

c. A list of all the employment records selected for verification organized by program;

d. Audit findings grouped by program including the following for each employed graduate in the sample, at a minimum:
   - The graduate’s name, place of employment, and descriptive job title/position;
   - Status/Results (i.e., minimally: verified accurate placement, placement is not accurate, or unable to verify);
   - The source of that verification (i.e., graduate or employer);
   - The date of the verification;
   - How long the graduate has been in the position;
   - Reason Placement is Not Accurate, as applicable (e.g., employee could not be found in employer’s records); and
   - Reason for Unable to Verify, as applicable (e.g., employer unwilling to provide information, could not reach employer or graduate after all attempts, etc.); and

e. Any additional information that the school believes will assist the Commission in making a determination regarding the school’s compliance with employment verification accrediting standards.

6. ATC must demonstrate that a fair and equitable refund policy is applied in accordance with the school’s established refund policy (Section I (D)(5), Substantive Standards, Standards of Accreditation). The on-site evaluation team observed that refunds for students who withdrew between February 13, 2014 and April 15, 2014 (40 students) were not made in a timely manner in accordance with the school’s published policy and noted that according to the management team, ATC had not

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7 Please refer to the July 1, 2013 Accreditation Alert for the Commission’s independent third party auditor definitions and requirements.

8 For those programs with 25 or fewer employed graduates, the auditor must attempt to verify 100% of the placements.
disbursed the refunds because the school did not have sufficient funds. In response, the school provided a review of the change in administrative staff overseeing refunds and noted that 22 of the students did not require a refund. For the remaining 18 students, each refund was made on September 22, 2014 and therefore, not within the school’s policy. As such, ATC did not demonstrate that the school adheres to its written and published refund policy.

Based on the foregoing, the Commission directs ATC to submit the following:

a. A copy of the school’s policy for calculating and dispersing refunds;

b. An ACCSC Refund Report for all refunds issued to students (both financial aid students and non-financial aid students) who were either dismissed or withdrew between October 1, 2014 and March 31, 2015 in accordance with the enclosed Refund Report Summary Sheet and Refund Report Worksheet to include: the Refund Report Worksheet; Refund Report Summary Sheet; copies of all electronic refund transactions and/or checks – front and back – issued for the purpose of students refunds;

c. An explanation for any refund not completed within the timeframe set forth in the school’s written and published refund policy; and

d. Any additional information that the school believes will be useful to the Commission in making a determination regarding the school’s compliance with ACCSC’s refund requirements.

7. ATC must demonstrate that financial records for currently enrolled students are securely maintained and protected against damage or loss and that transcripts for all formerly enrolled students are securely maintained indefinitely and protected against damage or loss (Section VI (B)(1&2), Substantive Standards, Standards of Accreditation). The TSR notes while student academic files from 2010 through the present are kept in fire-resistant cabinets, the current financial-aid files are stored separately and are not secured in fire-resistant cabinets. In addition, the on-site evaluation team found that graduate transcripts for students who graduated prior to 2010 were kept in a cardboard storage box. In response, ATC “started a digitize process of the Financial Aid and Academic students records from 2009 behind [sic]” and that the school “will keep [the files] in the fire proof cabinets from 2010 to know [sic].” ATC stated “[t]he transcripts for all formerly enrolled students are secure maintained [sic] and protected in the fire proof cabinets.” In addition, ATC stated that the digitizing process would be completed in January 2015. However, the school did not provide any documentation that ATC maintains enough fire-resistant cabinets to store all Financial Aid records, Academic records, and transcripts and that these records are kept in these fire proof cabinets. As such, the Commission directs ATC to provide documentation demonstrating that the creation of electronic version records is complete as well as documentation to demonstrate showing that the student records are protected against damage or loss (e.g., fire).

8. ATC must demonstrate that the school has conducted at least two (2) Program Advisory Committee (“PAC”) meetings for all programs annually (Section II (A)(5)(d), Substantive Standards, Standards of Accreditation). The TSR notes the last PAC meeting took place in April 2009. In response, the school provided November 24, 2014 PAC meeting minutes, however, the minutes were not translated. In addition, ATC stated “we will schedule two meetings for next year (2015)” but did not provide any tentative dates for the proposed meetings. Based on the foregoing, the Commission directs ATC to submit the following:

a. A list of all PAC members for each program including the name, title, place of employment and a detailed description of the qualifications of all members as it relates to their role on the PAC;
b. An English translated copy of the November 24, 2014 PAC meeting;

c. Written and detailed minutes of all PAC meetings held for all programs since the submission of the response to the TSR that includes:
   i. A description of all members in attendance (i.e., titles and affiliations);
   ii. The date, time, and location of the meeting; and
   iii. A comprehensive and clear description of the review of and commentary made by the school representatives and the Program Advisory Committee members;

d. Evidence to show that the school gives consideration to the recommendations of the PAC;

e. A schedule of upcoming PAC meetings in 2015; and

f. Any additional information that the school believes will be useful to the Commission in making a determination regarding the school’s compliance with ACCSC’s PAC requirements.

9. ATC must demonstrate that the school verifies prior work experience of all faculty members (Section III (A)(4), Substantive Standards, Standards of Accreditation). The on-site evaluation team observed that the school did not verify prior work experience for Miriam Ocasio, a Nail Technician instructor. In response, the school stated that Ms. Ocasio “attended trainings in her prior work [and] participated in various training before was [sic] hired by ATC” and that “[s]he worked for Rogie’s Schools of Beauty Culture, Instituto de Banca and MBTL.” The school, however, failed to submit evidence that the school in fact verified Ms. Ocasio’s prior work experience. Therefore, the Commission directs ATC to submit the following:

a. The school’s policy for verifying work experience for faculty;

b. Documentation of the school’s verification of Miriam Ocasio’s prior work experience as well as for any faculty members hired by the school since date of the on-site evaluation; and

c. Any additional information that the school believes will be useful to the Commission in making a determination regarding the school’s compliance with ACCSC’s faculty qualifications requirements.

10. ATC must demonstrate institutional assessment and improvement goal setting, benchmarking, and implementation activities in the areas of fiscal condition and budget; administrative policies and practices; student support services; educational program curricula; learning resources system, equipment; and supporting materials; facilities; and student achievement outcomes (Section I (B)(2), Substantive Standards, Standards of Accreditation). The TSR states that ATC did not demonstrate that the school had created detailed benchmarks and timelines for institutional improvement in the aforementioned areas. In addition, the Institutional Assessment and Improvement Plan (“IAIP”) submitted with the school’s Self-Evaluation Report states that the Executive Director conducts monthly reviews of the school’s administrative policies and practices, meets with school personnel to review their performance/progress reports, and documents and suggests changes needed to administrative policies for review by the Board of Director. However, the on-site evaluation team found that the executive director did not appear to have a clear understanding of ATC’s administrative policies and procedures and that the school was unable to provide sufficient documentation to support the IAIP. In response to the finds of the on-site evaluation team, ATC stated that the school has “made the necessary changes and adjustments to ensure is in compliance [sic],” that “the school is working with the IAIP to verify the information submitted to ACCSC,” and
that the school “will establish the necessary controls to ensure comply wit [sic] the ACCSC standards.” However, ATC did not provide a copy of the school’s IAIP, documentation of the changes and adjustments, or implementation of the controls to ensure compliance. Therefore, the Commission directs ATC to submit the following:

a. Evidence that the school engages in ongoing institutional assessment and improvement activities and planning appropriate to the size of the school operation’s and that support the management and administration of the school as well as the quality of education provided;

b. Evidence that the school’s institutional assessment and improvement activities support and enhance the quality of education provided;

c. Evidence that the school obtains internal and external information and feedback in its institutional assessment and improvement activities as a means to validate the school’s educational and administrative practices and to improve student learning and achievement;

d. Evidence that the school’s institutional assessment and improvement activities are significant and ongoing experiences at the school;

e. Evidence of institutional assessment and improvement goal setting, benchmarking, and implementation activities appropriate to the size and scale of the school’s operations in the areas of management; fiscal condition and budget; administrative policies and practices; student support services; faculty and staff development; educational program curricula; learning resources system, equipment, and supporting materials; facilities; and student achievement outcomes; and

f. Any additional information the school believes will be useful to the Commission in making a determination regarding the school’s compliance with ACCSC’s institutional assessment and improvement requirements.

11. ATC must clarify whether the school has a published leave of absence policy and if so, ATC must demonstrate that the school adheres to that policy (Section VII (A)(3)(c), Substantive Standards, Standards of Accreditation). The on-site evaluation team found three (3) cases where an approved leave of absence exceeded the maximum allowable 45 days. In response, ATC noted “that the 45 days is based on the days of class included in the academic calendar” and, based on that definition, “there was only one student who spent more than 45 days [on leave]” ATC also stated that “[e]ffective July 1, 2014 the institution decided to eliminate the school’s policy of Leave of Absence.” However, ATC did not provide any documentation of the elimination of the policy or how the elimination was implemented for current students and new students.

Based on the foregoing:

a. If the school has in fact eliminated the leave of absence policy, then submit the following:
   i. The school’s catalog demonstrating the leave of absence policy has been removed; and
   ii. A copy of the notice provided to current students informing them of the change in the school’s policy; or

b. If the school has not eliminated the leave of absence policy, then submit the following:
   i. The school’s catalog with the leave of absence policy highlighted;
ii. A list of all students placed on an approved leave of absence since the date of the on-site evaluation; and

iii. Evidence of the school’s administration of the leave of absence along with an explanation for any instance where a student spent more than 45 days on a leave of absence; and

c. Any additional information the school believes will be useful to the Commission in making a determination regarding the school’s compliance with ACCSC’s leave of absence requirements.

12. ATC must demonstrate that use of learning resource system is integrated into the school’s curriculum and program requirements as a mechanism to enhance the educational process and to facilitate positive learning outcomes for students (Section II (A)(6)(b), Substantive Standards, Standards of Accreditation). The TSR states that the only program that integrates the learning resource system into the curriculum is the Small Business Administration program. In response, ATC stated that the school “installed Internet in two computers,” that there is a “projector for the use of the teachers and students;” and “[t]he classrooms have network connections and WiFi internet access services.” Although, the school described upgrades to the learning resource system, ATC did not demonstrate that these materials are integrated into the school’s curriculum and program requirements. As such, the Commission directs the school to submit the following:

a. Course outlines/curriculum/syllabi for at least three courses from each program showing the integration of learning resource systems materials;

b. Documentation (e.g., sample copies of student work, research, etc.) to demonstrate that students are utilizing the school’s learning resource system as required for all courses of study; and

c. Any additional information the school believes will be useful to the Commission in making a determination regarding the school’s compliance with ACCSC’s learning resource system requirements.

13. ATC must demonstrate compliance with accrediting standards with regard to student services standards, as follows:

a. ATC must demonstrate the school maintains adequate student services and resources that support the students and that the school continually monitors and addresses the needs of students (Section VI (A)(2 & 6), Substantive Standards, Standards of Accreditation). The Self-Evaluation Report indicates that the school provides services for students, in addition to formal instruction, through the offices of admissions, counseling and financial aid. However, the on-site evaluation team noted that the full-time positions of admissions director, admissions representative (last employed March 2014), and student guidance (resigned 2010) were vacant at the time of the on-site evaluation. Further, the team noted that although faculty were providing academic advising, testing, and tutoring services to students, the school did not clearly show that the student services over the last term of accreditation were sufficient to adequately serve ATC’s student body. In response to the on-site evaluation team’s, ATC stated,

As we mentioned above the school is in the process to hire a counsel, in meantime Mrs. Santiago is proving services for our students, for admissions was hire Mrs. Mirelba Acevedo, Yasmin Acevedo is pointed as Financial Aid Director. For this Academic term we are bringing adequately service for our actual student body.
As such, the Commission directs ATC to submit a job description for the counseling position, an update on the status of hiring a counselor, and if a counselor has been hired, the résumé and a Staff Personnel Report for the person hired demonstrating qualifications.  

b. ATC must demonstrate that the school maintains comprehensive documentation of student advising sessions (Section VI (A)(5), Substantive Standards, Standards of Accreditation). The on-site evaluation team found that the school could not provide documentation of student advising sessions. In response, ATC provided “Records for New Start students” that are not translated into English and do not clearly indicate the meeting was a student advising session. Therefore, the Commission directs ATC to submit translated documentation of any advising sessions that occurred between January 1, 2015 and June 30, 2015.

14. ATC must demonstrate that the disclosure of graduation and employment rates include the program population base and time frame upon which each rate is based (Section IV (C)(3), Substantive Standards, Standards of Accreditation). The on-site evaluation team found that although the school disclosed the graduation and graduate employment rate in the Consumer Disclosures handbook, the population and time frame upon which each of the rates is based was not included. In response, ATC stated that the school “revised the Consumer disclosures handbook and included the population and time frame upon which each is based.” While the school did include documentation of the updated handbook, the graduation and graduate employment rate for each program are from the 2013 Annual Report and, therefore, not as last reported to the Commission as required by Section IV (C)(3), Substantive Standards, Standards of Accreditation, which would include the 2014 Annual Report. As such, the Commission directs ATC to provide an updated Consumer Disclosures handbook demonstrating the most recent reported graduation and graduate employment rates as last reported to the Commission in the 2014 Annual Report.

15. ATC must demonstrate the school’s catalog includes all items required in the Student Complaint Procedures of the ACCSC Complaint Review Process (Section IV (C)(1)(a); Catalog Checklist Item #30; Substantive Standards; Standards of Accreditation). In response to the TSR, ATC stated that “[t]he complaint policy and procedure was revised including all items required in the Student Complaint procedures of the ACCSC Complaint Review Process.” However, the updated catalog does not include all items required in the ACCSC Complaint Review Process including the notice as listed, ACCSC’s telephone number and website, and directions to students on where to find a copy of the ACCSC Complaint Form. As such, the Commission directs ATC to submit an updated copy of the school’s catalog and complaint policy and procedures disclosure that includes all information required by the Student Complaint Procedures of the ACCSC Complaint Review Process.

Notice to Students and Substantive Change Restriction:

ATC must notify each currently enrolled student and each applicant that the school is on Probation with ACCSC. As part of the school’s response to the letter, please provide a copy of the notice provided to students and potential students (Section VII (L)(8), Rules of Process and Procedure, Standards of Accreditation).

Pursuant to Section VII (K)(7), Rules of Process and Procedure, Standards of Accreditation, the Commission will not consider substantive changes, a change of location/relocation, or additions (i.e.,

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9 The Commission reminds ATC that an employee may not perform the functions of a counselor and may not be referred to as a counselor unless so qualified (i.e., trained and received a counseling credential) (Section VI (A)(4), Substantive Standards, Standards of Accreditation).
separate facilities, new programs) to a school or its separate facilities while the school is under a Warning Order.

**Response Requirements (Items #3 - #15)**

ATC must upload the school’s electronic response directly to ACCSC’s College 360 Database. The ACCSC College 360 database can be accessed by clicking here. Please note that the password utilized by the institution to access the Annual Report Portal is the same to access the School Submission section of the College 360 database. The Instructions for College 360 DMS Submissions can be found here. A detailed overview on how to upload a school submission can be found here.

Keep in mind, the school’s response must be prepared in accordance with ACCSC’s Instructions for Electronic Submission (e.g., prepared as one Portable Document Format (“PDF”) file that has been prepared using Adobe Acrobat software (version 8.0 or higher) and which has a .pdf extension as part of the file name). The school will receive an e-mail confirmation that the file has been received within 24 hours of the submission.

The response must also include a signed certification attesting to the accuracy of the information and be received in the Commission’s office **on or before July 7, 2015** for consideration at the **August 2015** Commission meeting. If a response is not received in the Commission’s office **on or before July 7, 2015**, the Commission will consider further appropriate action.

For assistance with the password or for any other questions regarding the School Submission Pilot Project, please contact Anne Santalla at asantalla@accsc.org or 703.247.4532. Please note that any password requests to access College 360 must be made by the school director, or designated member of the school’s management team, via e-mail.

For further assistance or additional information, please contact Alicia DeMartini at 703.625.7846 or ademartini@accsc.org.

Sincerely,

Michale S. McComis, Ed.D.
Executive Director

Encls: ACCSC Refund Report Summary Sheet
ACCSC Refund Report Worksheet
ACCSC Refund Report Worksheet Glossary
**ACCSC REFUND REPORT SUMMARY SHEET**

School Name:
School Number:
Refund Report Date Range:

<table>
<thead>
<tr>
<th>Student Name</th>
<th>Start Date</th>
<th>Last Date of Attendance</th>
<th>Date of Determination of Withdrawal / Termination</th>
<th>Date of Determination of Refund Due Date</th>
<th>Date Refund Paid*</th>
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*This is the date that the refund was distributed to or received by either the student or applicable funding source.
**REFUND REPORT WORKSHEET**

A separate worksheet must be completed for each refund made within the time period specified by the Commission.

Name of student: _______________________________________  Date of enrollment: ______________

The maximum number of days for which the school must disburse refunds, as defined in the school’s refund policy:

Based upon the school’s refund policy, select (a) or (b) below and enter the date the school used to calculate the number of days required to disburse the refund:

- (a) Last date of attendance
- (b) Date of determination of termination/withdrawal

Date of refund disbursement:

The actual number of days between (a) or (b) above and the date the school disbursed the refund:

Attach to this worksheet a detailed explanation for why the refund was late (if applicable).

<table>
<thead>
<tr>
<th>Length of program or period of enrollment:</th>
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<tbody>
<tr>
<td>Percentage of program or period of enrollment completed:</td>
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<tr>
<td>Total tuition for program or period of enrollment:</td>
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<td>total amount of tuition collected:</td>
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<tr>
<td>percentage of total tuition collected:</td>
<td>%</td>
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<tr>
<td>percentage of collected tuition retained (c):</td>
<td>%</td>
</tr>
<tr>
<td>percentage of collected tuition refunded (d):</td>
<td>%</td>
</tr>
<tr>
<td>Amount of refund</td>
<td>$</td>
</tr>
</tbody>
</table>

Attach to the school’s submission:

- One copy of the school’s withdrawal/refund policy and attendance policy, as it appears in the school’s catalog, must accompany the school’s submission. If the school uses one or more state refund policies, please attach a copy of each state’s refund policy. One copy per state will suffice for the entire Refund Report.
- The Refund Report Summary Sheet for all refunds included in this report.

Attach to this worksheet:

- Copy of the calculation sheet(s) showing how the refund was calculated,
- Copy of the front and the back of the refund check(s) or electronic transmission document(s).
THE REFUND REPORT WORKSHEET GLOSSARY

**Name of student:** As it appears on the signed Enrollment Agreement.

**Date of enrollment:** The date the Enrollment Agreement was signed.

**Last date of attendance (a):** The last day the student attended class.

**Date of determination of termination/withdrawal (b):** The date the student’s enrollment was terminated either by voluntarily withdrawal or by termination by the school.

**Date of refund disbursement:** The date the refund check was processed and disbursed or electronically transmitted (Pell accounts).

**Length of program or period of enrollment:** The total length of the program, or period of enrollment for which tuition is charged, measured in weeks, months, or clock hours, whichever is most appropriate for refund calculation purposes.

**Percentage of program or period of enrollment completed:** Length of the total program, or period of enrollment for which tuition is charged, completed divided by the amount of the length of the program or period of enrollment for which tuition is charged uncompleted.

**Total tuition for program or period of enrollment for which tuition is charged:** The total tuition cost for the program, or period of enrollment for which tuition is charged. This amount does not include application fees, books, supplies, uniforms, etc., unless those items are completely refundable by the school.

**Total amount of tuition collected:** The amount of refundable monies collected.

**Percentage of total tuition collected:** The percentage of refundable monies collected.

**Percentage of collected tuition retained (c):** The percentage of refundable monies collected that was retained by the school for training received by the student.

**Percentage of collected tuition refunded (d):** The percentage of refundable monies collected that was returned to the student, or to financial aid accounts on behalf of the student, for training which was purchased but not received by the student. Items (c) and (d) should total 100%.

**Amount of refund:** The dollar and cents amount of the refund.
June 17, 2015

Gary Seronko  
School Director  
American College of Hairstyling  
603 East Sixth Street  
Des Moines, Iowa 50309

Dear Mr. Seronko:

At the May 2015 meeting, the Accrediting Commission of Career Schools and Colleges (“ACCSC” or “the Commission”) considered the previous Probation Order issued to American College of Hairstyling (“ACH”) located in Des Moines, Iowa. Upon review of the February 3, 2015 Probation Order and the school’s response, the Commission voted to continue ACH on Probation with a subsequent review scheduled for ACCSC’s November 2015 meeting. The reasons for the Commission’s decision to continue ACH on Probation and the Commission’s requirements for the school to demonstrate compliance are set forth below.

History of the Commission’s Review:

February 2014

At the February 2014 meeting, the Commission considered its previous decision to place ACH on Warning1 in view of the school’s license suspension by the Iowa Board of Barbering (“the Board”). Upon review of the September 4, 2013 Commission letter and the school’s response, the Commission voted to vacate the Warning. Additionally, the Commission voted to place ACH on Financial Reporting in order to monitor ACH’s financial position as the school showed a net loss in the amount of $70,812.38 as of November 2013 and incurred an additional $35,000 in legal fees and other costs to reinstate its license with the Iowa Board of Barbering.

Subsequent to the February 2014 meeting, the Commission was copied on the February 28, 2014 notice from the U.S. Department of Education (“the Department”) disclosing that the Department had transferred ACH from the Advance method of payment to the Heightened Cash Monitoring 2 (“HCM2”) method of payment effective February 28, 2014. The Department took this action because of the school’s overdue compliance audit and unresponsiveness of returning the signed Program Participation Agreement.

August 2014

At the August 2014 meeting, the Commission considered ACH’s Application for Renewal of Accreditation. Upon review of the record on file, the Commission noted several items pending review. These items included the school’s response to the March 12, 2014 ACCSC Financial Reporting Enclosure and the response to the July 8, 2014 ACCSC letter regarding the school’s HCM2 status with the Department. As a result, the Commission voted to table the review of the Application for Renewal of

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1 As stated in the July 1, 2014 Accreditation Alert, the term “show cause as to why accreditation should not be revoked or “Show Cause Order” has been replaced with “Warning” except when referring to actions taken by other agencies and when referring to an ACCSC Probation action where the school may still direct the school to show cause as to why its accreditation should not be withdrawn as part of that Probation Order.
Accreditation until November 2014 in order to pair the application with other outstanding matters for the school.

### November 2015

At the November 2014 meeting, the Commission considered ACH’s Application for Renewal of Accreditation; Heightened Cash Monitoring 2 Status; and Financial Report. Upon review of the May 27, 2014 Team Summary Report (“TSR”); the March 12, 2014 ACCSC Financial Reporting Enclosure; the July 8, 2014 ACCSC letter regarding the school’s HCM2 status; and the school’s responses, the Commission voted to place ACH on Probation. The Commission was unable to make a determination that ACH demonstrated compliance with accrediting standards in the following areas: financial structure and soundness; state requirements; student loan repayment; management and administrative capacity; management qualifications; graduate employment classifications; faculty prior work experience; program advisory committees; institutional assessment and improvement activities; refund policy; leave of absence policy; learning resource system; advertising and promotional materials.

### May 2015 Review and Requirements to Demonstrate Compliance

At the May 2015 meeting, upon review of the February 3, 2015 Probation Order, the school’s response, and upon consideration of the record in this matter as outlined in this letter, the Commission found that ACH was not in compliance with accrediting standards as explained herein and voted to continue the school on Probation to the November 2015 meeting. Accordingly, ACH must take the necessary corrective action in order to demonstrate compliance with accrediting standards in the following areas.

1. ACH must demonstrate that the financial structure of the school is sound, with resources sufficient for the proper operation of the school and the discharge of obligations to its students (Section I (C)(1), Substantive Standards, Standards of Accreditation). A review of the school’s audited financial statements for the fiscal years ended December 31, 2013 and 2012 found the following:
   - ACH increased its accumulated deficit in the amount of $256,915 as of December 31, 2012 to $550,289 as of December 31, 2013;
   - ACH recorded a net loss in the amount of $293,374 as of December 31, 2013 as oppose to a net income gain in the amount of $22,405 as of December 31, 2012;
   - ACH increased its bad debt expenses in the amount of $57,244 as of December 31, 2012 to $284,133 as of December 31, 2013 (a 396% increase);
   - ACH increased its net cash used by operating activities going from $9,689 as of December 31, 2012 to $206,900 as of December 31, 2013 (a 2035% increase);
   - ACH converted outstanding net related party liabilities in the amount of $268,914 to additional paid-in capital by entering into an Equity Conversion Agreement dated December 31, 2013;
   - ACH owes $10,000 in back rent to a related party. An agreement was made for payment subsequent to 2015 (Note 3, pg. 12);
   - ACH entered into an Equity Conversion Agreement dated December 31, 2013 with the shareholder to convert $447,957 in notes payables (Note 5, pg. 12); and

In the Management Discussion and Analysis (“MD&A”) response, ACH outlined the school’s two sources of revenue: tuition income and sales of haircare services to the public (“floor work”). ACH attributed the losses of 2013 to the “recent recession” which in the school’s estimation reduced the floor work services to the public and hence the income received for that work. The Commission
noted, however, that that the school’s floor sales only decreased from $114,503 earned in 2012 to $107,615 earned in 2013. The Commission also noted that in 2013, the school wrote off uncollectable student debt resulting in a net loss of $191,825 instead of an estimated loss of $30,000. ACH did submit a Profit and Loss Statement for January 1 through December 31, 2014 showing a profit of $4,145.43. Although the Profit and Loss Statement for January through March 2015 shows a net loss of $2,464.24 as opposed to the net income of $4,023.60 for the same quarter for 2014, the school stated that 2015 will be another “breakeven year.” ACH stated that the school could have much greater profit if they maximize their enrollments; however, according to the school, “this would reduce the quality of our graduates and impair the reputation of the school.”

Based on the foregoing, the Commission determined that additional monitoring is warranted and as such directs ACH to submit the following:

a. Audited financial statements for the fiscal year ended December 31, 2014 prepared and submitted in accordance with the requirements set forth in the Instructions for the Preparation and Submission of Financial Statements and Related Information, available on the ACCSC website at www.accsc.org

b. Internally prepared financial statements for eight months to cover the period of January 1, 2015 to August 31, 2015, submitted in accordance with the requirements set forth in the Instructions for the Preparation and Submission of Financial Statements and Related Information, available on the ACCSC website at www.accsc.org;

c. An updated MD&A examining and explaining the school’s current financial condition, taking into account the financial penalty imposed by the Board (see Item 2 below), and ACH’s plan to return to profitability; and

d. Any other information or documentation that ACH believes will assist the Commission in its review of the schools’ financial position.

2. ACH must demonstrate that the school is in compliance with applicable federal and state government requirements (Section I (B)(1)(e)(iii), Rules of Process and Procedure, Standards of Accreditation) and continually able to meet obligations to students (Section I (E)(1)(2)(a-e), Rules of Process and Procedure, Standards of Accreditation). The history of the Commission’s review of ACH’s compliance with the Board is outlined in the February 3, 2015 Probation Order. As a result of the Commission’s findings and in order to understand the extent and prevalence of ACH’s non-compliance with the Board, the Commission directed ACH to provide further information pertaining to the school’s current status with the Board and on-going compliance with the Board’s sanitation rules. In response, ACH provided a copy of the new settlement offer from the Board which discloses the new financial penalty as a result of additional sanitation findings from an unannounced inspection conducted on December 14, 2014. ACH’s response states that the school is contesting the new findings and that a “resolution will not occur until the end of April 2015 at the earliest.” Also, ACH provided a brief description of the school’s sanitation practices along with a blank copy of the sanitation and practical monitoring student worksheet. ACH, however, did not provide any evidence to show that the sanitation worksheet has been implemented or the effectiveness of the school’s sanitation practices.

In addition, ACH provided a copy of the March 9, 2015 notice regarding the final audit determination issued by the Department. The notice indicates that the Department made final determinations concerning all of the outstanding findings and has assessed ACH liabilities totaling $2,190 to be paid
to the Department. ACH, however, provided no documentation to show that the liabilities have been paid to the Department or that the school has appealed the Department’s findings.

The Commission is concerned with the status of these matters and the school’s ability to demonstrate compliance with applicable state and federal requirements. Based on the foregoing, the Commission directs ACH to provide the following:

a. An update as to the final resolution or any major development pertaining to the Board’s recent action or any other action taken in this matter, including copies of all correspondence between the school and the Board;

b. A detailed assessment of the school’s compliance with the Board’s sanitation requirements along with copies of completed sanitation and practical student worksheets;

c. A narrative description of the impact of the Board’s recent action may have on the school’s operations, if applicable; and

d. Evidence that the requisite payments have been submitted to the Department or if ACH chose to appeal the Department’s findings, then the school must submit a status update regarding the appeal to the Final Audit Determination findings issued by the Department.

3. ACH must demonstrate that the school engages in ongoing efforts to promote student loan repayment (Section I (E)(1), Substantive Standards, Standards of Accreditation). In response to the February 3, 2015 Probation Order which directed ACH to demonstrate the appropriateness of the school’s efforts to prevent student loan defaults, ACH provided a copy of the school’s student loan default prevention plan including a roster of the school’s Cohort Default Rate Task Force; strategies aimed to increased contact with default borrowers; monitoring of student withdrawals; improved program completion rates; and Cohort Default Rate counseling and managing. ACH asserted that the school’s default prevention plan is working since the year to year Cohort Default Rate has decreased from (52.3%) in the fiscal-year 2010 to (33.8%) in fiscal-year 2011. ACH also provided the projected three-year Cohort Default Rate for the fiscal-year 2012 of (30.8%). Since schools are subject to loss of eligibility to participate in federal student financial aid programs if the official Cohort Default Rates are 30.0% or greater over three consecutive years, ACH may be subject to loss of eligibility. In this regard ACH stated,

[w]e are filing an Incorrect Data Appeal on the basis of two students. Note that only one defaulter needs to be taken out of the numerator to bring the CDR under 30% ...we feel we will prevail on the basis of an Erroneous Data appeal this spring. However, if we don’t, we will file a [sic] Economically Disadvantaged Appeal in Fall [sic] 2015.

ACH’s response notwithstanding, the Commission remains concerned that the loss of eligibility to participate in federal financial aid programs will have a material impact on the financial structure of the school and will impact the school’s ability to meet its announced objectives and obligations to students.

As afforded under Section I (E)(2), Substantive Standards, Standards of Accreditation, given that the school’s annual student loan Cohort Default Rates appear to be at a high level in relation to federally established standards, the Commission seeks additional information with regard to this matter and as such directs ACH to submit the following:
a. A copy of any correspondence between the school and the Department regarding the school’s official Cohort Default Rates and the school’s eligibility to participate in the federal student loan program;

b. A completed ACCSC Institutional Teach-Out Plan Approval Form and all attachments to demonstrate that, in the event of closure, the school has a plan for the delivery of training and services to students in a manner that is not materially disruptive and that ensures obligations to students will be timely met;

c. A detailed financial plan to demonstrate school’s financial resources for continued school operations if the school should lose eligibility to participate in Title IV federal student financial assistance programs.

d. A description of any changes made to the school’s cohort default rate management plan or any additional steps the school has undertaken with regard to this matter (e.g., additional resources committed, appeal initiated);

e. The official fiscal-year 2012 three-year Cohort Default Rate as released by the Department;

f. Any other additional information that the school believes will assist the Commission in assessing the school’s compliance with accrediting standards in this regard.

4. ACH must demonstrate that the school conducts Program Advisory Committee (“PAC”) meetings in accordance with accrediting standards (Section II (A)(5), Substantive Standards of Accreditation). In response to the Commission’s concern in this regard, ACH provided PAC minutes from meetings held on August 25, 2014 and April 12, 2015 along with a description of each PAC member in attendance and a notation as to the title and affiliation of each member. The school also provided completed PAC member comments forms to show the PAC member’s review of the school’s programs, supporting resources, and learning materials. Upon review of the meeting minutes, the Commission noted that ACH listed Terry Moll, a former school director, as a PAC member for the August 25, 2014 meeting. ACH, however, did not provide any information regarding Mr. Moll’s current professional affiliation. Therefore, it is not clear as to how is Mr. Moll is a) appropriately qualified representative of the employment community or practitioner, b) external to the institution (i.e., non-school employees), and c) able to provide a meaningful review of the school’s programs and supporting resources and materials. Furthermore, the Commission also noted that ACH listed Becky Dittmer and Gary Kinney as the only members in attendance at the April 12, 2015 meeting and as such, ACH did not satisfy the requirement that at least three PAC members representing the employment community or practitioners be present at every meeting.

With regards to the overall content of the PAC minutes, the Commission found that although the PAC minutes together with the completed PAC comments forms show the review of various program elements, the PAC minutes lack detail and specific commentary made by the PAC members and thus do not demonstrate that the PAC members engaged in a meaningful review and dialogue with ACH on the appropriateness and adequacy of the school’s programs.

Based on the foregoing, the Commission directs ACH to submit the following:

a. Evidence that the school has convened a PAC meeting on-site at the school with at least three PAC members in attendance in the form of written minutes from the PAC meeting that show:

   i. A description of each member in attendance (i.e., titles and affiliations) and a notation as to which members in attendance represent the employment community or are practitioners;
ii. The date, time, and location of the meeting;

iii. A comprehensive and clear description of the review of and commentary made by the PAC members; and

iv. Evidence the school gives consideration to PAC input;

b. PAC meeting schedules for calendar years 2015 and 2016; and

c. An explanation as how Mr. Terry Moll is appropriately qualified to serve as a PAC member.

Please note that the Commission recommends reviewing the “Maximizing Program Advisory Committees” monograph available on the Commission’s website. This monograph explains why institutions need effective PACs, describes how to establish and operate a committee, and provides ideas on how to evaluate and reap the benefits of a PAC’s success to meet the program’s need for continuous performance improvement. Furthermore, the Commission invites Colegio Mayor de Tecnologia to view the Webinar regarding PACs, which is available online for review at http://accsc.org/Content/Events/Webinars.

5. ACH must demonstrate that the school includes sufficient support and budgetary allocations for the learning resource system (“LRS”) (Section II (A)(6)(e), Substantive Standards, Standards of Accreditation). In response to the February 3, 2015 Probation Order, ACH provided a copy of its 2015 fiscal year budget showing a line item for the LRS. The school also provided a separate itemized description of the LRS budgetary allocations including books; audio and visual instruments; digital software; and media programs. In this regard, however, ACH stated, “[w]e have $750 budgeted for CY2015 but we have not spent any of this yet.”

Because ACH has not yet purchased any the LRS materials referenced in the school’s response and did not demonstrate that the materials are adequately meeting students’ LRS needs, the Commission determined that additional information and documentation is necessary to show that ACH has in fact purchased and fully implemented the aforementioned materials for the school’s LRS. Therefore, the Commission directs ACH to provide the following:

a. An updated listing of the current learning resources;

b. documentation demonstrating that ACH purchased the LRS materials described in the school’s response (i.e., invoices, paid receipts) and a detailed description of how these materials specifically support the students’ LRS needs;

c. Documentation demonstrating that the school has implemented and has made available for students and faculty all new materials in the LRS; and

d. Any other information or documentation that ACH believes will assist the Commission with determining the school’s compliance with accrediting standards in this regard.

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PROBATION REQUIREMENTS:

In cases where the Commission has reason to believe that a school is not in compliance with accreditation standards and other requirements, the Commission may, at its discretion, place a school on Probation. A school subject to a Probation Order must demonstrate corrective action and compliance with accrediting standards and other requirements.
standards. Failure of the school to demonstrate compliance with accrediting standards or other accrediting requirements by the due date set forth herein may result in a revocation of accreditation action.

The Commission will not consider substantive changes, a change of location/relocation, or additions (i.e., separate facilities, new programs) to a school or its separate facilities while the school is on Probation. However, a school that is subject to Probation may seek the Commission’s approval for the transfer of accreditation that would result from a change of ownership as described in Section IV, Rules of Process and Procedure, Standards of Accreditation.

In accordance with Section X, Rules of Process and Procedure, Standards of Accreditation, a summary of the Probation Order is made public and provided to the U.S. Department of Education, appropriate State agencies, and appropriate accrediting agencies. Moreover, in accordance with Section X (C)(6), Rules of Process and Procedure, Standards of Accreditation, the Commission has notified the U.S. Department of Education of this action pertaining to the findings related to the school’s federal financial aid responsibilities.

In accordance with Section VII (L)(8), Rules of Process and Procedure, Standards of Accreditation, a school subject to a Probation Order must inform current and prospective students that the school has been placed on Probation and that additional information regarding that action can be obtained from the Commission’s website.

MAXIMUM TIMEFRAME TO ACHIEVE COMPLIANCE:

Please refer to Section VII (M), Rules of Process and Procedures, Standards of Accreditation for the maximum timeframe allowed for ACH to achieve and demonstrate compliance with the Standards of Accreditation set forth in this letter. The time frame to achieve compliance began on February 3, 2015 letter. Please also be advised that the Commission is under no obligation to wait for the maximum timeframe to expire and may take an adverse action prior to the expiration of the maximum allowable timeframe.

RESPONSE REQUIREMENTS:

By applying for accreditation, a school accepts the obligation to demonstrate continuous compliance with the Standards of Accreditation. While the Commission employs its own methods to determine a school’s compliance with accrediting standards, the burden rests with the school to establish that it is meeting the standards. The Commission’s deliberations and decisions are made on the basis of the written record and thus a school must supply the Commission with complete documentation of the school’s compliance with accrediting standards.

ACH must provide a response to the items expressed above that provides the information requested along with any additional information that the school believes supports a demonstration of compliance with accrediting standards. If the school’s response contains documentation that includes personal or confidential student or staff information that is not required for the Commission’s review (e.g., social security numbers, dates of birth, etc.), please remove or redact that information.

3 ACCSC has issued the first two modules of the Blueprints for Success Series: Organizing an Effective Electronic Submission and Preparing a Comprehensive Response for Commission Consideration which provide a framework for submitting a well-documented, organized, electronic response for Commission consideration. ACCSC encourages the school to review these modules prior to formulating its response to this letter. More information is available under the Resources section at www.accsc.org.
ACH must upload the school’s electronic response directly to ACCSC’s College 360 Database. The ACCSC College 360 database can be accessed by clicking here. Please note that the password utilized by the institution to access the Annual Report Portal is the same to access the School Submission section of the College 360 database. The Instructions for College 360 DMS Submissions can be found here. A detailed overview on how to upload a school submission can be found here.

Keep in mind, the school’s response must be prepared in accordance with ACCSC’s Instructions for Electronic Submission (e.g., prepared as one Portable Document Format (“PDF”) file that has been prepared using Adobe Acrobat software (version 8.0 or higher) and which has a .pdf extension as part of the file name). The school will receive an e-mail confirmation that the file has been received within 24 hours of the submission.

The response must also include a signed certification attesting to the accuracy of the information and be received in the Commission’s office on or before September 25, 2015. If a response is not received in the Commission’s office on or before September 25, 2015, the Commission will consider further appropriate action.

For assistance with the password or for any other questions regarding the electronic submission requirements, please contact Anne Santalla at asantalla@accsc.org or (703) 247-4532. Please note that any password requests to access College 360 must be made by the school director, or designated member of the school’s management team, via e-mail.

****

For further assistance or additional information, please contact Jose Godoy at (703) 247-4501 or jgodoy@accsc.org.

Sincerely,

Michale S. McComis, Ed.D.
Executive Director
Dear Ms. Scales:

At the May 2015 meeting the Accrediting Commission of Career Schools and Colleges (“ACCSC” or “the Commission”) considered its previous decision to place CollegeAmerica-Denver (“CA-Denver”) located in Denver, Colorado on Warning. Upon review of the December 17, 2014 Warning Order and the school’s response the Commission voted to place CA-Denver on Probation with the next review scheduled for November 2015. The reasons for the Commission’s decision and the Commission’s requirements for the school to demonstrate compliance are set forth below.

The Commission directs CA-Denver to demonstrate that the school complies on a continuous basis with accreditation standards and requirements (Section I (E)(2)(a), Rules of Process and Procedure, Standards of Accreditation) and that a high proportion of its students attend class, successfully progress through and complete their program of study, and obtain employment in the field for which trained (Section VII, Statement of Purpose and VII (B), Substantive Standards, Standards of Accreditation).

History of the Commission’s Review in the Area of Student Achievement:

August 2008

At the August 2008 meeting, the Commission considered the school’s Application for Renewal of Accreditation and voted to defer action due in part to low rates of graduation and employment for the Business Management and Accounting (AOS), Computer Technology and Networking (AOS), Computer Programming (AOS), and Graphic Arts (AOS) programs.

February 2009

At the February 2009 meeting, the Commission voted to accredit the school for 5 years going forward from November 2007 with the following Reporting Requirements:

- Student achievement outcomes for the 15-month Medical Specialties (AOS) and 34-month Business Administration (BS) degree programs and
- Program viability study for the Accounting (BS), Business Administration (BS), Business Management and Accounting (AOS), Computer Science (BS), Nursing Administration (BS degree completion), Computer Technology and Networking (AOS), Computer Programming (AOS), and Graphic Arts (AOS) programs.

February 2010

The Commission considered the Outcomes Report and Program Viability Study Reports at its February 2010 meeting and voted to Continue Outcomes Reporting for the Medical Specialties (AOS) and Business Administration (BS) programs and to Continue to monitor the viability of the Accounting (BS); Business Administration (BS); Business Management Administration (AAS); Computer Science (BS); Nursing Administration (BS degree completion); Computer Technology and Networking (AAS); and Graphic Arts (AAS) programs.
March 2011

At the March 2011 meeting, The Commission considered the Outcomes Report and voted to Continue Outcomes Reporting only for the Business Administration (BS) program.

March 2012 Outcomes Report

At the March 2012 meeting the Commission considered the Outcomes Report and voted to continue CollegeAmerica on Outcomes Reporting and refer this matter for review in conjunction with the school’s re-evaluation for Renewal of Accreditation and on-site evaluation scheduled for April 26-27, 2012 due to the low graduation rate for the Business Administration (BS) program and directed CollegeAmerica to provide the on-site evaluation team with an update on the current retention rate for students enrolled in this program and the school’s ongoing efforts to improve retention.

November 2012

At the November 2012 meeting, the Commission considered the school’s Application for Renewal of Accreditation, Application for an Academic Associate Degree, and the Business Administration Outcomes Report and voted to defer final action due in part to low rates of graduation and employment in Medical Specialties (AOS); Business Management and Accounting (AAS); Computer Technology and Networking (AAS); Graphic Arts (AAS); Business Administration (BS); and Computer Science (BS). The Commission also voted to cap enrollment in all programs offered by the school. Below is an excerpt from December 21, 2014 deferral letter.

As the student achievement issues have been systemic and on-going, the Commission directs CA-Denver to cap enrollment in every program. As of the date of this letter, programs that have less than 10 students enrolled must be capped at 10 students and programs that have more than 10 students enrolled must be capped at the program’s current enrollment level. This cap will remain in effect until the school is able to demonstrate successful student achievement by maintaining acceptable rates of student graduation and employment in the career field for which the school provides education.

May 2013

At the May 2013 meeting the Commission considered renewal of accreditation applications, substantive change applications, complaint notices, and other actions for the ACCSC-accredited schools owned by the Center for Excellence in Higher Education (“CEHE”) including the previous decision to defer action on CA-Denver’s Application for Renewal of Accreditation, Application for an Academic Associate Degree, Outcomes Report. At this meeting, the Commission voted to direct the CEHE system of schools to show cause as to why the accreditation for these schools should not be withdrawn due in part to low rates of student graduation and graduate employment at CA-Denver for the Business Management & Accounting (AAS), Medical Specialties (AOS), and Nursing (AD) programs.

November 2013

At the November 2013 meeting, the Commission considered its previous decision to direct the ACCSC-accredited schools in the CEHE system of schools to show cause as to why the accreditation for these schools should not be withdrawn. In addition, the Commission considered the deferred Application for Renewal of Accreditation, Application for an Academic Associate Degree, Outcomes Report, and the Application for a Change of Ownership submitted by CA-Denver and voted to continue the Show Cause Order for CA-Denver due in part to low rates of student graduation and graduate employment in the following programs: Business Management and Accounting (AAS); Computer Technology and Networking (AAS); Graphic Arts (AAS); Medical Specialties (AOS); Nursing (AD); Accounting (BS); Business Administration (BS); Computer Science (BS); Health Administration (BS).
The Commission considered its previous decision to direct CA-Denver to show cause as to why accreditation should not be withdrawn and voted to continue CA-Denver on a Warning Order due to the history of poor student outcomes and because the graduation and employment rates for a majority of the school’s programs are not acceptable, as defined by ACCSC’s Standards of Accreditation (Section VII (B)(1)(b)(ii), Appendix VI, Substantive Standards, Standards of Accreditation) – specifically: Business Administration (BS); Business Management and Accounting (AAS); Computer Science (BS); Healthcare Administration (BS); Medical Specialties (AOS); and Nursing (AD).

May 2015 Commission Review and Action

In response to the December 17, 2014 Warning Order CA-Denver reported the following rates of graduation and employment using a March 2015 Report Date (below-benchmark rates are bolded):

<table>
<thead>
<tr>
<th>Program (Length in Months)</th>
<th>CA-Denver Graduation Rate</th>
<th>ACCSC Graduation Rate Benchmark</th>
<th>CA-Denver Employment Rate</th>
<th>ACCSC Employment Rate Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Specialties (20)</td>
<td>43% (77/181)</td>
<td></td>
<td>68%</td>
<td></td>
</tr>
<tr>
<td>Nursing (20)</td>
<td>45% (20/44)</td>
<td></td>
<td>65%</td>
<td></td>
</tr>
<tr>
<td>Business Management &amp; Accounting (20)</td>
<td>43% (27/63)</td>
<td>42%</td>
<td>61%</td>
<td></td>
</tr>
<tr>
<td>Computer Technology &amp; Networking (20)</td>
<td>50% (1/2)</td>
<td>4%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Graphic Arts** (20)</td>
<td>17% (6/36)</td>
<td></td>
<td>75%</td>
<td>68%</td>
</tr>
<tr>
<td>Accounting (36)</td>
<td>42% (5/12)</td>
<td></td>
<td>75%</td>
<td></td>
</tr>
<tr>
<td>Business Administration (36)</td>
<td>11% (4/37)</td>
<td>36%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Computer Science (36)</td>
<td>11% (4/35)</td>
<td></td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td>Healthcare Administration (36)</td>
<td>31% (33/108)</td>
<td></td>
<td>68%</td>
<td></td>
</tr>
</tbody>
</table>

**This program is in teach-out.

CA-Denver’s response to the December 17, 2014 Warning Order begins by addressing the Commission’s concerns with the management of the school and strategies to support outcomes. The school stated that deficient leadership was the primary factor in poor results and that problem has been corrected by installing a new campus President. The school also stated that that it has identified 4 programs with serially low outcomes; however, the school will need to monitor the viability of these programs and the effectiveness of the initiatives implemented which will take time - through the ACCSC 2016 Annual Report year and for the bachelor’s degree programs through the ACCSC 2017 Annual Report.

As part of the school’s justification as to why the Commission should not withdraw the approval of those programs which have serially reported below-benchmark outcomes the school stated:

1 Formerly referred to as a “show cause” directive (i.e., show cause as to why accreditation should not be withdrawn).
We know, and the data shows, that we are on the right track and that all of our programs will achieve outcomes beyond the benchmark level by 2016 and 2017. Therefore, the Commission should not withdraw the approval of those programs which have serially reported below benchmark outcomes (Bachelor of Science in Computer Science, Bachelor of Science in Business Administration, and Associate of Applied Science in Business Management and Accounting). Obviously, we share the Commission’s concern about these programs and if we do not see continued improvement necessary to ensure that each of these programs will meet outcome benchmarks in the next 2-3 years, we will close the program and submit a teach-out plan to ACCSC ....

Although the Commission acknowledged the time needed for initiatives to show effect, the Commission also noted the amount of time already afforded the school to demonstrate successful student achievement. For example the Business Administration (BS) program has largely been under monitoring by ACCSC since the issuance of the school’s last grant of accreditation in 2008 and the Computer Science program has also been on and off reporting since that time and these programs are currently at 11% graduation. The Commission’s expectations are that accredited schools will be proactive to assess the performance of programs and take appropriate action, including discontinuing programs that do not successfully serve students - without intercession from the Commission. The school is proposing to wait an additional two years to demonstrate compliance with accrediting standards in this regard, or to make the decision to discontinue programs that do not appear to be fulfilling the school’s obligations to students. Given the school’s history of serially low outcomes and the request for additional time to demonstrate compliance with standards, the Commission determined to impose an official limit on the school’s timeframe to come into compliance and therefore issued a Probation Order. Under the Probation Order, CA-Denver must take appropriate action to come into compliance or the Commission may revoke program approvals or take any other action in Section VII, Rules of Process and Procedures, Standards of Accreditation.

In addition, the school’s response indicates that the enrollment caps imposed by the Commission have created a challenge in meeting outcomes benchmark. The response states the following:

An additional challenge to improving outcomes for the four identified programs has been the imposition of an enrollment cap by ACCSC. Several of these programs had low census numbers when the cap was imposed and CA-Denver must keep the census at the level it was when the cap was instituted. When a program has low census numbers small changes have a dramatic impact on graduation and employment rates. Therefore, to prevent false, magnified, or misleading results due solely to low census numbers, CA-Denver requests that ACCSC lift the present enrollment cap on the low census programs that CA-Denver is working to improve...

... ACCSC has put the college into a no-win situation. ACCSC wants to see better graduation rates for 2015, but the only way to do that (for these older degree program cohorts) is to re-enroll and graduate former drop outs - but the college cannot reenroll any students because our programs are capped. If ACCSC wants to see improved graduation rates for the cohorts we report on in 2015, then it must modify the program caps and allow us to re-enroll former drop outs so that we can improve the graduation rate for these older cohorts....

If the program cap is to remain in place between receipt of this response and the 2015 AIR deadline in October, we would urgently ask that the Commission consider allowing CollegeAmerica Denver to go over the imposed program cap numbers only in instances where students previously enrolled with the college and who left on good terms academically wish to return and finish their program or if they wish to transfer to another program.

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2 See the history of Outcomes performance in December 17, 2014 Warning Order.
The response also indicates with regard to employment rates that “…Computer Technology and Networking AAS - which is the college’s smallest program enrolling an average of 10 students per year. This small cohort program only graduates an average of 2-3 students per year. Therefore this program can only meet the 68% employment rate benchmark if all graduates are placed in field. Small numbers prove a challenge to providing fair statistical analysis.” The Commission took into consideration the school’s statement regarding the small cohort of students for Computer Technology and Networking AAS program that yielded a 50% completion rate and a 0% employment rate and concurred that such small numbers can prove challenging and as such did take this circumstance into account. The Commission also noted, however, that in the case of Graphic Arts, Business Administration and Computer Science, the number of students available for employment is so low (below 10) because the graduation rates are so low (17%, 11%, and 11% respectively). Also, the Business Administration program illustrates that small cohorts can yield high employment rates because as in this case the school reported a 100% employment rate for this program based on the 4 graduates employed – these 4 graduates, however, represent the 11% graduation rate mentioned above. Thus, the Commission does consider cohort size when making overall assessments of student achievement.

The Commission considered the school’s argument that the enrollment caps are a challenge in meeting benchmarks and that the only way to meet graduation benchmarks in the 2015 Annual report is to allow withdrawn students to re-enroll. However, the Commission determined that lifting the enrollment caps entirely to allow more students to enroll into programs that have not been able to show acceptable rates of student success and achievement is not a responsible action for the Commission to take. That being said, the Commission does not want to discourage the school from reenrolling withdrawn students when there is an opportunity for the student to obtain a positive outcome and when, as the school stated, a student wishes “to return and finish their program or if they wish to transfer to another program” – and the Commission is interested in allowing the school an opportunity to demonstrate that reenrollments improved the graduation rates. Therefore, the school may reenroll withdrawn students who wish to return to complete their program or transfer to another program and these students will not count against the school’s enrollment cap.

In addition, the Commission reviewed the original directive in the December 21, 2012 deferral letter which stated that the enrollment caps will remain until the school is able to demonstrate successful student achievement by maintaining acceptable rates of student graduation and employment. Since the Accounting and Medical Specialties programs are meeting benchmark, the Commission voted to remove the enrollment cap for the Accounting (BS) and Medical Specialties (AOS) programs.

The Commission also considered the school’s argument that retention is improving and reviewed the retention charts submitted by the school. The Commission remains interested in whether the Business Administration and Computer Science programs can retain students such that the graduation rate benchmark can be achieved. The Commission did note that in some cases the retention information offers some signs that some programs may ultimately meet the Commission’s benchmarks if the school continues to retain students at the rates presented. Thus the Commission is interested in monitoring contemporaneous retention information to assess the school’s progress in this regard and as a means to assess the efficacy of the school’s most recent efforts. Therefore the Commission will request further retention data as part of the response to this letter.

Lastly, although the response seeks to also point out areas where the Commission’s December 17, 2014 Warning Order contained inconsistencies or inaccuracies, the response does not compel the Commission to find the school to be in compliance with regard to student achievement.

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3 The Commission did note that there were errors on the retention charts for the Medical Specialties and Business Management and Accounting programs, which resulted in slightly inflated retention rates.
Based on the foregoing, the Commission directs the school to submit the following:

a. Retention information for the Nursing program, the Business Administration program, the Business Management & Accounting program, the Computer Science program, the Computer Technology & Networking program, and the Healthcare Administration program including the following:

**20-Month Programs:**

Program Name:

<table>
<thead>
<tr>
<th>Column A</th>
<th>Column B</th>
<th>Column C</th>
<th>Column D</th>
<th>Column E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Number of Students Who Started in the Program between 7/1/14 and 6/30/15</td>
<td>Number of Students From Column A Withdrawn or Terminated</td>
<td>Number of Students From Column B Unavailable for Retention†</td>
<td>Number of Students From Column A Still Enrolled as of 9/1/15</td>
<td>Retention Rate (Column C + Column D / Column A)</td>
</tr>
</tbody>
</table>

†Use the same definition of “Unavailable for Graduation” as defined in the Glossary of Terms on the ACCSC Graduation and Employment Chart

**36-Month Programs:**

Program Name:

<table>
<thead>
<tr>
<th>Column A</th>
<th>Column B</th>
<th>Column C</th>
<th>Column D</th>
<th>Column E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Number of Students Who Started in the Program between 7/1/13 and 6/30/15</td>
<td>Number of Students From Column A Withdrawn or Terminated</td>
<td>Number of Students From Column B Unavailable for Retention†</td>
<td>Number of Students From Column A Still Enrolled as of 9/1/15</td>
<td>Retention Rate (Column C + Column D / Column A)</td>
</tr>
</tbody>
</table>

†Use the same definition of “Unavailable for Graduation” as defined in the Glossary of Terms on the ACCSC Graduation and Employment Chart

b. For each withdrawn or terminated student from Column B in the charts above, provide the following:

<table>
<thead>
<tr>
<th>Student ID Number</th>
<th>Percentage of Program Completed at Point of Termination or Withdrawal</th>
<th>Reason for Termination</th>
<th>Reason for Withdrawal</th>
</tr>
</thead>
</table>

b. The Graduation and Employment Charts submitted by the school in the 2015 Annual Report for the Nursing program, the Business Administration program, the Business Management & Accounting program, the Computer Science program, the Computer Technology & Networking program, and the Healthcare Administration program.

d. For each Graduation and Employment Chart submitted, provide supporting summary information and documentation for the graduation and employment data organized according to the corresponding cohort start date reported on the chart (line #1) as follows:

i. For each student reported provide the following information:

<table>
<thead>
<tr>
<th>Student Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Graduation Date</th>
<th>Withdrawal/Termination Date</th>
</tr>
</thead>
</table>

ii. For each student classified as “Unavailable for Graduation” (line #6), provide the following information:
iii. For each graduate reported, provide the following information:

<table>
<thead>
<tr>
<th>Graduate Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Employer Name, Address, &amp; Phone #</th>
<th>Employer Point of Contact</th>
<th>Date of Initial Employment</th>
<th>Descriptive Job Title</th>
<th>Other Status (Unemployed, Further Ed., Unknown, Etc.)</th>
</tr>
</thead>
</table>

iv. For each graduate classified as “Graduates-Further Education” (line #11) or “Graduates-Unavailable for Employment” (line #12), provide the following information:

<table>
<thead>
<tr>
<th>Graduate Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Classification on the G&amp;E Chart</th>
<th>Reason</th>
<th>Description of the Documentation on File</th>
</tr>
</thead>
</table>

e. For each of the programs listed in item a, provide a history of outcomes reported to the Commission beginning from the school’s current term of accreditation (2007) in the following format:

<table>
<thead>
<tr>
<th>Program Name and Credential</th>
<th>Source (e.g., response to [date] Commission letter or [date] TSR; [date] Annual Report)</th>
<th>Report Date</th>
<th>Length in Months</th>
<th>CA-Denver Graduation Rate</th>
<th>ACCSC Graduation Benchmark</th>
<th>CA-Denver Employment Rate</th>
<th>ACCSC Employment Benchmark</th>
</tr>
</thead>
</table>

f. An explanation – for each program – about the quality and ongoing viability of the program, in light of the reported student achievement outcomes and an ACCSC Programmatic Teach-Out Plan Approval Form for any program the school has determined to discontinue and/or a timeline for phasing any such programs out.

g. A description of the factors continuing to impinge upon the school’s ability to report acceptable rates of student achievement, the strategies in place to overcome those factors, and an analysis with evidence of the efficacy of the school’s efforts.

As set forth in Section VII (B)(2)(c), Substantive Standards, Standards of Accreditation, the Commission at its discretion may take a programmatic action such as to require an on-site evaluation; temporarily require a school to cease enrollment in a program; suspend or revoke program, degree-granting, or distance education approval; or may take an institutional action (see Section VII, Rules of Process and Procedure, Standards of Accreditation) when the Commission has determined that the school has not demonstrated acceptable student achievement either through its student learning assessment efforts, rates of graduation or employment attainment, or a combination thereof. This letter serves as notice that the Commission will take further programmatic or institutional action if the school cannot demonstrate improvement in the student achievement outcomes of its programs.

Moreover, in accordance with accrediting standards regarding the responsibilities between main schools and their branches, the main school is responsible and accountable to the Commission for its separate facilities and is responsible and accountable for compliance with accrediting standards by its separate facilities (Section VIII (B)(1), Substantive Standards, Standards of Accreditation). Moreover, the accredited status of a branch campus is dependent upon the continued accreditation of the main school (Section VIII (B)(3), Substantive Standards, Standards of Accreditation). CA-Denver is responsible for three branches: CollegeAmerica locations in Fort Collins, Colorado (B070544); Colorado Springs, Colorado (B070623); and Cheyenne, Wyoming (B070905). As the Commission voted to place CA-
Denver on a Probation Order, the branches are under a Probation Order until the main school has addressed those compliance issues.

**OTHER REPORT REQUIREMENTS**

At the May 2015 meeting, the Commission also considered compliance reports for the CEHE system of schools. The Commission’s decisions and directives are set forth in a separate letter. The school’s response will need to be submitted as directed in that letter.

**PROBATION REQUIREMENTS:**

In cases where the Commission has reason to believe that a school is not in compliance with accreditation standards and other requirements, the Commission may, at its discretion, place a school on Probation. A school subject to a Probation Order must demonstrate corrective action and compliance with accrediting standards. Failure of the school to demonstrate compliance with accrediting standards or other accrediting requirements by the due date set forth herein may result in a withdrawal of accreditation action.

The Commission will not consider substantive changes, a change of location/relocation, or additions (i.e., separate facilities, new programs) to a school or its separate facilities while the school is on Probation. However, a school that is subject to Probation may seek the Commission’s approval for the transfer of accreditation that would result from a change of ownership as described in Section IV, Rules of Process and Procedure, Standards of Accreditation.

In accordance with Section X, Rules of Process and Procedure, Standards of Accreditation, the Probation Order is made public and provided to the U.S. Department of Education, appropriate State agencies, and appropriate accrediting agencies. Moreover, in accordance with Section X (C)(6), Rules of Process and Procedure, Standards of Accreditation, the Commission has notified the U.S. Department of Education of this action pertaining to the findings related to the school’s federal financial aid responsibilities.

In accordance with Section VII (L)(8), Rules of Process and Procedure, Standards of Accreditation, a school subject to a Probation Order must inform current and prospective students that the school has been placed on Probation and that additional information regarding that action can be obtained from the Commission’s website.

**MAXIMUM TIMEFRAME TO ACHIEVE COMPLIANCE:**

Please refer to Section VII (M), Rules of Process and Procedures, Standards of Accreditation for the maximum timeframe allowed for CA-Denver to achieve and demonstrate compliance with the Standards of Accreditation set forth in this letter. The timeframe to achieve compliance begins as of the date of this letter. Please also be advised that the Commission is under no obligation to wait for the maximum timeframe to expire and may take an adverse action prior to the expiration of the maximum allowable timeframe.

**RESPONSE REQUIREMENTS:**

By applying for accreditation, a school accepts the obligation to demonstrate continuous compliance with the Standards of Accreditation. While the Commission employs its own methods to determine a school’s compliance with accrediting standards, the burden rests with the school to establish that it is meeting the standards. The Commission’s deliberations and decisions are made on the basis of the written record and thus a school must supply the Commission with complete documentation of the school’s compliance with accrediting standards.
CA-Denver must provide a response to the items expressed above that provides the information requested along with any additional information that the school believes supports a demonstration of compliance with accrediting standards. If the school’s response contains documentation that includes personal or confidential student or staff information that is not required for the Commission’s review (e.g., social security numbers, dates of birth, etc.), please remove or redact that information.

CA-Denver must upload the school’s electronic response directly to ACCSC’s College 360 Database. The ACCSC College 360 database can be accessed by clicking here. Please note that the password utilized by the institution to access the Annual Report Portal is the same to access the School Submission section of the College 360 database. The Instructions for College 360 DMS Submissions can be found here. A detailed overview on how to upload a school submission can be found here.

Keep in mind, the school’s response must be prepared in accordance with ACCSC’s Instructions for Electronic Submission (e.g., prepared as one Portable Document Format (“PDF”) file that has been prepared using Adobe Acrobat software (version 8.0 or higher) and which has a .pdf extension as part of the file name). The school will receive an e-mail confirmation that the file has been received within 24 hours of the submission.

The response must also include a signed certification attesting to the accuracy of the information and be received in the Commission’s office on or before October 15, 2015. If a response is not received in the Commission’s office on or before October 15, 2015, the Commission will consider further appropriate action.

For assistance with the password or for any other questions regarding the electronic submission requirements, please contact Anne Santalla at asantalla@accsc.org or (703) 247-4532. Please note that any password requests to access College 360 must be made by the school director, or designated member of the school’s management team, via e-mail.

For further assistance or additional information, please contact me at 703.247.4520 or mccomis@accsc.org.

Sincerely,

Michale S. McComis, Ed.D.
Executive Director

c: Susie Reed, susie.reed@collegeamerica.edu

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4 ACCSC has issued the first two modules of the Blueprints for Success Series: Organizing an Effective Electronic Submission and Preparing a Comprehensive Response for Commission Consideration which provide a framework for submitting a well-documented, organized, electronic response for Commission consideration. ACCSC encourages the school to review these modules prior to formulating its response to this letter. More information is available under the Resources section at www.accsc.org.
June 17, 2015

Jaime Davis
Director
CollegeAmerica-Cheyenne
6101 Yellowstone Rd.
Cheyenne, Wyoming 82009

Dear Ms. Davis:

At the May 2015 meeting the Accrediting Commission of Career Schools and Colleges (“ACCSC” or “the Commission”) considered its previous decision to place CollegeAmerica-Cheyenne (“CA-Cheyenne”) located in Cheyenne, Wyoming on Warning. Upon review of the December 17, 2014 Warning Order and the school’s response the Commission voted to place CA-Cheyenne on Probation with the next review scheduled for November 2015.¹ The reasons for the Commission’s decision and the Commission’s requirements for the school to demonstrate compliance are set forth below.

The Commission directs CA-Cheyenne to demonstrate that the school complies on a continuous basis with accreditation standards and requirements (Section I (E)(2)(a), Rules of Process and Procedure, Standards of Accreditation) and that a high proportion of its students attend class, successfully progress through and complete their program of study, and obtain employment in the field for which trained (Section VII, Statement of Purpose, and VII (B) Substantive Standards, Standards of Accreditation).

History of the Commission’s Review with Regard to Student Achievement

February 2009
At the February 2009 meeting the Commission considered its previous decision to defer final action on the school’s Application for Renewal of Accreditation and voted to grant the institution renewal of accreditation for a period of five (5) years going forward from September 2007, with Retention Reporting for all programs.

March 2010
At the March 2010 Full Commission Conference Call the Commission considered the Retention Report and voted to continue the school on Retention reporting for all programs.

December 2010
At the December 2010 Conference Call the Commission considered the Retention Report and voted to accept the Retention Report and place the school on Heightened Monitoring.

November 2012
At the November 2012 meeting, the Commission considered the school’s Application for Renewal of Accreditation and voted to defer final action based in part on the low graduation and/or employment rates for the Medical Specialties (AOS); Business Management and Accounting (AAS); Graphic Arts (AAS);

¹ In addition at the May 2015 meeting, the Commission voted to place the main school in Denver (#M001507) on Probation. In accordance with accrediting standards regarding the responsibilities between main schools and their branches, the accredited status of a branch campus is dependent upon the continued accreditation of the main school (Section VIII (B)(3), Substantive Standards, Standards of Accreditation).
Business Administration (BS); and Computer Science (BS) programs. In addition the Commission directed the school to cap enrollment in all programs. The Commission’s letter stated:

As the student achievement issues have been systematic and on-going, the Commission directs CA-Cheyenne to cap enrollment in every program. As of the date of this letter, programs that have less than 10 students enrolled must be capped at 10 students and programs that have more than 10 students enrolled must be capped at the program’s current enrollment level. This cap will remain in effect until the school is able to demonstrate successful student achievement by maintaining acceptable rates of student graduation and employment in the career field for which the school provides education.

May 2013

At the May 2013 meeting the Commission considered renewal of accreditation application, substantive change applications, complaint notices, and other actions for the ACCSC-accredited schools owned by the Center for Excellence in Higher Education (“CEHE”) including the Commission’s previous decision to defer action on CA-Cheyenne’s Application for Renewal of Accreditation and Heightened Monitoring Status from the November 2012 meeting. At the May 2013 meeting, the Commission voted to direct the CEHE system of schools to show cause as to why the accreditation for these schools should not be withdrawn due in part to low rates of student graduation and graduate employment at CA-Cheyenne in the following programs: Computer Technology & Networking (AAS); Graphic Arts (AAS); Medical Specialties (AOS); Accounting (AAS); Business Administration (BS); and Healthcare Administration (BS).

November 2013

At the November 2013 meeting the Commission considered its previous decision to direct the ACCSC-accredited CEHE system of schools to show cause as to why the accreditation for these schools should not be withdrawn. In addition, the Commission considered CA-Cheyenne’s deferred Application for Renewal of Accreditation, Heightened Monitoring Status, and Application for a Change of Ownership and voted to continue the Show Cause Order for CA-Cheyenne due in part to a history of low rates of student graduation and graduate employment in the following programs: Business Administration (BS); Healthcare Administration (BS); Business Management and Accounting (AAS); Computer Technology and Networking (AAS); Graphic Arts (AAS); and Medical Specialties (AOS).

December 2014

The Commission considered its previous decision to direct CA-Cheyenne to show cause as to why accreditation should not be withdrawn and voted to continue CA-Cheyenne on a Warning Order\(^2\) due to the history of poor student outcomes as defined by ACCSC’s Standards of Accreditation (Section VII (B)(1)(b)(ii), Appendix VI, Substantive Standards, Standards of Accreditation) in the following programs: Business Management and Accounting (AAS); Medical Specialties (AAS); Accounting (BS); Business Administration (BS); and Healthcare Administration (BS).

\(^2\) Formerly referred to as a “show cause” directive (i.e., show cause as to why accreditation should not be withdrawn).
May 2015 Commission Review and Action

In response to the December 17, 2014 Warning Order CA-Cheyenne reported the following rates of graduation and employment using a Report Date of March 2015 (below-benchmark rates are bolded):

<table>
<thead>
<tr>
<th>Program (Length in Months)</th>
<th>CA-Cheyenne Graduation Rate</th>
<th>ACCSC Graduation Rate Benchmark</th>
<th>CA-Cheyenne Employment Rate</th>
<th>ACCSC Employment Rate Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Management &amp; Accounting (20)</td>
<td>13% (2/15)</td>
<td>42%</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>Medical Specialties (20)</td>
<td>38% (10/26)</td>
<td></td>
<td>80%</td>
<td></td>
</tr>
<tr>
<td>Accounting (36)</td>
<td>100% (1/1)</td>
<td>36%</td>
<td>100%</td>
<td>68%</td>
</tr>
<tr>
<td>Business Administration (36)</td>
<td>50% (3/6)</td>
<td></td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td>Healthcare Administration (36)</td>
<td>0% (0/4)</td>
<td></td>
<td>n/a</td>
<td></td>
</tr>
</tbody>
</table>

The school’s response begins by providing an overview of the outlook for student achievement, and states:

“We are pleased to inform the Commission that we are seeing positive results from the implementation of the plan we shared in our March 20, 2014 response. However, as the Commission should recognize, it is virtually impossible for any changes or improvements we make today to have a significant impact on the current outcomes for degree program cohorts that were established several years in the past. Our college does not offer short-term certificate or diploma programs. Therefore, the improvements we have implemented, and continue to implement, will most readily be seen in the future as we report on outcomes for degree program cohorts established during the past 12 months. In other words, although it has been a year since the latest improvement measures were put into place, the results will not be reflected in outcomes until our 2014 enrollments matriculate and report on the 2016 and 2017 ACCSC AIRs.”

Although the Commission agrees that time is needed for initiatives to show effect, the Commission also noted the significant amount of time already afforded the school to demonstrate the positive impact of its efforts and successful student achievement. The Commission’s expectations are that accredited schools will be proactive to assess the performance of programs and take appropriate action, including discontinuing programs that do not successfully serve students – without intercession from the Commission. The school is proposing to wait an additional two years to demonstrate compliance with accrediting standards in this regard or to make the decision to discontinue programs that do not appear to be fulfilling the school’s obligations to students. Given the school’s history of low outcomes and the request for additional time to demonstrate compliance with standards, the Commission determined to impose an official limit on the school’s timeframe to come into compliance and therefore issued a Probation Order. Under the Probation Order, CA-Cheyenne must take appropriate action to come into compliance or the Commission may revoke program approvals or take any other institutional action under Section VII, Rules of Process and Procedures, Standards of Accreditation.
In addition, the school’s response states that:

An additional challenge to improving outcomes for each program has been the imposition of an enrollment cap by ACCSC. Several of these programs had low census numbers when the cap was imposed and Cheyenne must keep the census at the level it was when the cap was instituted. When a program has low census numbers small changes have a dramatic impact on graduation and employment rates...Therefore, to prevent false, magnified, or misleading results due solely to low census numbers, Cheyenne requests that ACCSC lift the present enrollment cap on the low census programs that Cheyenne is working to improve.

ACCSC has put the college into a no-win situation. ACCSC wants to see better graduation rates for 2015, but the only way to do that (for these older degree program cohorts) is to re-enroll and graduate former drop outs – but the college cannot reenroll any students because our programs are capped. If ACCSC wants to see improved graduation rates for the cohorts we report on in 2015, then it must modify the program caps and allow us to re-enroll former drop outs so that we can improve the graduation rate for these older cohorts.

If the program cap is to remain in place between receipt of this response and the 2015 AIR deadline in October, we would urgently ask that the Commission consider allowing CollegeAmerica Cheyenne to go over the imposed program cap numbers only in instances where students previously enrolled with the college and who left on good terms academically wish to return and finish their program or if they wish to transfer to another program.

The Commission considered the school’s argument that the enrollment caps are a challenge in meeting benchmarks and that the only way to meet graduation benchmarks in the 2015 Annual report is to allow withdrawn students to re-enroll. However, the Commission determined that lifting the enrollment caps entirely to allow more students to enroll into programs that have not been able to show acceptable rates of student success and achievement is not a responsible action for the Commission to take. That being said, the Commission does not want to discourage the school from reenrolling withdrawn students when there is an opportunity for the student to obtain a positive outcome and when, as the school stated, a student wishes “to return and finish their program or if they wish to transfer to another program” – and is interested in allowing the school an opportunity to demonstrate reenrollments improved the graduation rates. Therefore, the school may reenroll withdrawn students who wish to return to complete their program or transfer to another program and these students will not count against the school’s enrollment cap.

In addition, the Commission reviewed the original directive in the December 21, 2012 deferral letter which stated that the enrollment caps will remain “until the school is able to demonstrate successful student achievement by maintaining acceptable rates of student graduation and employment.” Since the Accounting Program is meeting benchmark, the Commission voted to remove the enrollment cap for the Accounting (BS) program.

The Commission also considered the school’s argument that retention is improving and reviewed the retention charts submitted by the school. The Commission did note that in some cases the retention information offers some signs that some programs may ultimately meet the Commission’s benchmarks if the school continues to retain students at the rates presented. Thus the Commission is interested in monitoring contemporaneous retention information to assess the school’s progress in this regard and as a means to assess the efficacy of the school’s most recent efforts. Therefore the Commission will request further retention data as part of the response to this letter.
Lastly, although the response seeks to also point out areas where the Commission’s December 17, 2014 Warning Order contained inconsistencies or inaccuracies, the response does not compel the Commission to find the school to be in compliance with regard to student achievement.

Based on the foregoing, the Commission directs the school to submit the following:

a. Retention information for the Business Administration, Business Management & Accounting, Medical Specialties, and Healthcare Administration programs including the following:

**20-Month Programs:**

<table>
<thead>
<tr>
<th>Program Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Column A</td>
</tr>
<tr>
<td>Total Number of Students Who Started in the Program between 7/1/14 and 6/30/15</td>
</tr>
</tbody>
</table>

†Use the same definition of “Unavailable for Graduation” as defined in the Glossary of Terms on the ACCSC Graduation and Employment Chart

b. For each withdrawn or terminated student from Column B in the charts above, provide the following:

<table>
<thead>
<tr>
<th>Student ID Number</th>
<th>Percentage of Program Completed at Point of Termination or Withdrawal</th>
<th>Reason for Termination</th>
<th>Reason for Withdrawal</th>
</tr>
</thead>
</table>

c. The Graduation and Employment Charts submitted by the school in the **2015 Annual Report** for the Business Administration, Business Management & Accounting, Medical Specialties, and Healthcare Administration programs.

d. For each Graduation and Employment Chart submitted, provide supporting summary information and documentation for the graduation and employment data organized according to the corresponding cohort start date reported on the chart (line #1) as follows:

i. For each student reported provide the following information:

<table>
<thead>
<tr>
<th>Student Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Graduation Date</th>
<th>Withdrawal/ Termination Date</th>
</tr>
</thead>
</table>
ii. For each student classified as “Unavailable for Graduation” (line #6), provide the following information:

<table>
<thead>
<tr>
<th>Student Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Reason Unavailable</th>
<th>Description of the Documentation on File</th>
</tr>
</thead>
</table>

iii. For each graduate reported, provide the following information:

<table>
<thead>
<tr>
<th>Graduate Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Employer Name, Address, &amp; Phone #</th>
<th>Employer Point of Contact</th>
<th>Date of Initial Employment</th>
<th>Descriptive Job Title</th>
<th>Other Status (Unemployed, Further Ed., Unknown, Etc.)</th>
</tr>
</thead>
</table>

iv. For each graduate classified as “Graduates-Further Education” (line #11) or “Graduates-Unavailable for Employment” (line #12), provide the following information:

<table>
<thead>
<tr>
<th>Graduate Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Classification on the G&amp;E Chart</th>
<th>Reason</th>
<th>Description of the Documentation on File</th>
</tr>
</thead>
</table>

e. For each of the programs listed in item a. provide a history of outcomes reported to the Commission beginning from the school’s current term of accreditation (2007) in the following format:

<table>
<thead>
<tr>
<th>Program Name and Credential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source (e.g., response to [date] Commission Letter or [date] TSR; [date] Annual Report)</td>
</tr>
</tbody>
</table>

f. An explanation – for each program – about the quality and ongoing viability of the program, in light of the reported student achievement outcomes and an ACCSC Programmatic Teach-Out Plan Approval Form for any program the school has determined to discontinue and/or a timeline for phasing any such programs out.

g. A description of the factors continuing to impinge upon the school’s ability to report acceptable rates of student achievement, the strategies in place to overcome those factors, and an analysis with evidence of the efficacy of the school’s efforts.

As set forth in Section VII (B)(2)(c), Substantive Standards, Standards of Accreditation, the Commission at its discretion may take a programmatic action such as to require an on-site evaluation; temporarily require a school to cease enrollment in a program; suspend or revoke program, degree-granting, or distance education approval; or may take an institutional action (see Section VII, Rules of Process and Procedure, Standards of Accreditation) when the Commission has determined that the school has not demonstrated acceptable student achievement either through its student learning assessment efforts, rates of graduation or employment attainment, or a combination thereof. This letter serves as notice that the Commission will take further programmatic or institutional action if the school cannot demonstrate improvement in the student achievement outcomes of its programs.

**OTHER REPORT REQUIREMENTS**

At the May 2015 meeting, the Commission also considered compliance reports for the CEHE system of schools. The Commission’s decisions and directives are set forth in a separate letter. The school’s response will need to be submitted as directed in that letter.
PROBATION REQUIREMENTS:

In cases where the Commission has reason to believe that a school is not in compliance with accreditation standards and other requirements, the Commission may, at its discretion, place a school on Probation. A school subject to a Probation Order must demonstrate corrective action and compliance with accrediting standards. Failure of the school to demonstrate compliance with accrediting standards or other accrediting requirements by the due date set forth herein may result in a revocation of accreditation action.

The Commission will not consider substantive changes, a change of location/relocation, or additions (i.e., separate facilities, new programs) to a school or its separate facilities while the school is on Probation. However, a school that is subject to Probation may seek the Commission’s approval for the transfer of accreditation that would result from a change of ownership as described in Section IV, Rules of Process and Procedure, Standards of Accreditation.

In accordance with Section X, Rules of Process and Procedure, Standards of Accreditation, a copy of the Probation Order is made public and provided to the U.S. Department of Education, appropriate State agencies, and appropriate accrediting agencies. Moreover, in accordance with Section X (C)(6), Rules of Process and Procedure, Standards of Accreditation, the Commission has notified the U.S. Department of Education of this action pertaining to the findings related to the school’s federal financial aid responsibilities.

In accordance with Section VII (L)(8), Rules of Process and Procedure, Standards of Accreditation, a school subject to a Probation Order must inform current and prospective students that the school has been placed on Probation and that additional information regarding that action can be obtained from the Commission’s website.

MAXIMUM TIMEFRAME TO ACHIEVE COMPLIANCE:

Please refer to Section VII (M), Rules of Process and Procedures, Standards of Accreditation for the maximum timeframe allowed for CA-Cheyenne to achieve and demonstrate compliance with the Standards of Accreditation set forth in this letter. The timeframe to achieve compliance begins as of the date of this letter. Please also be advised that the Commission is under no obligation to wait for the maximum timeframe to expire and may take an adverse action prior to the expiration of the maximum allowable timeframe.

RESPONSE REQUIREMENTS:

By applying for accreditation, a school accepts the obligation to demonstrate continuous compliance with the Standards of Accreditation. While the Commission employs its own methods to determine a school’s compliance with accrediting standards, the burden rests with the school to establish that it is meeting the standards. The Commission’s deliberations and decisions are made on the basis of the written record and thus a school must supply the Commission with complete documentation of the school’s compliance with accrediting standards.

CA-Cheyenne must provide a response to the items expressed above that provides the information requested along with any additional information that the school believes supports a demonstration of
compliance with accrediting standards. If the school’s response contains documentation that includes personal or confidential student or staff information that is not required for the Commission’s review (e.g., social security numbers, dates of birth, etc.), please remove or redact that information.

CA-Cheyenne must upload the school’s electronic response directly to ACCSC’s College 360 Database. The ACCSC College 360 database can be accessed by clicking here. Please note that the password utilized by the institution to access the Annual Report Portal is the same to access the School Submission section of the College 360 database. The Instructions for College 360 DMS Submissions can be found here. A detailed overview on how to upload a school submission can be found here.

Keep in mind, the school’s response must be prepared in accordance with ACCSC’s Instructions for Electronic Submission (e.g., prepared as one Portable Document Format (“PDF”) file that has been prepared using Adobe Acrobat software (version 8.0 or higher) and which has a .pdf extension as part of the file name). The school will receive an e-mail confirmation that the file has been received within 24 hours of the submission.

The response must also include a signed certification attesting to the accuracy of the information and be received in the Commission’s office on or before October 15, 2015. If a response is not received in the Commission’s office on or before October 15, 2015, the Commission will consider further appropriate action.

For assistance with the password or for any other questions regarding the electronic submission requirements, please contact Anne Santalla at asantalla@accsc.org or (703) 247-4532. Please note that any password requests to access College 360 must be made by the school director, or designated member of the school’s management team, via e-mail.

For further assistance or additional information, please contact me at 703.247.4520 or mccomis@accsc.org.

Sincerely,

Michale S. McComis, Ed.D.
Executive Director

c: Susie Reed, susie.reed@collegeamerica.edu

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3 ACCSC has issued the first two modules of the Blueprints for Success Series: Organizing an Effective Electronic Submission and Preparing a Comprehensive Response for Commission Consideration which provide a framework for submitting a well-documented, organized, electronic response for Commission consideration. ACCSC encourages the school to review these modules prior to formulating its response to this letter. More information is available under the Resources section at www.accsc.org.
Dear Mr. Scimeca:

At the May 2015 meeting the Accrediting Commission of Career Schools and Colleges (“ACCSC” or “the Commission”) voted to take the following actions with regard to CollegeAmerica-Fort Collins (“CA-Fort Collins”) located in Fort Collins, Colorado:

- The Commission considered its previous decision to place CA-Fort Collins on Warning. In accordance with accrediting standards regarding the responsibilities between main schools and their branches, the accredited status of a branch campus is dependent upon the continued accreditation of the main school (Section VIII (B)(3), Substantive Standards, Standards of Accreditation). CollegeAmerica-Colorado Springs is a branch of CollegeAmerica-Denver (M001507). At the May 2015 meeting the Commission voted to place CollegeAmerica-Denver on Probation, with the next review at the November 2015 meeting, due to questions regarding continuous compliance with accrediting standards raised by the school’s reporting of prevalent and persistent low student achievement outcomes. As such, the Commission voted to place CA-Fort Collins on Probation until the main school has addressed those compliance issues;

- The Commission considered the December 17, 2014 Warning and the school’s response and determined that additional information is necessary and directs the school to submit an Outcomes Report as set forth below.

OUTCOMES REPORT

The Commission directs CA-Fort Collins to demonstrate successful student achievement as required by Section VII (B)(1)(b), Substantive Standards, Standards of Accreditation.

History of the Commission’s Review in the Area of Student Achievement:

November 2013

At the November 2013 meeting, the Commission considered its previous decision to direct the ACCSC-accredited schools owned by the Center for Excellence in Higher Education (“CEHE”) to show cause as to why the accreditation for these schools should not be withdrawn. In addition, the Commission considered the Application for Renewal of Accreditation and the Application for a Change of Ownership submitted by CA-Fort Collins and voted to continue the Show Cause Order for CA-Fort Collins due in part to low rates of student graduation and graduate employment in the following Graduation and Employment (“G&E”) Charts: G&E Charts using a July 2012 Report Date in the 2012 Annual Report and G&E Charts using a July 2013 Report Date in response to the Team Summary Report for the following programs: Computer Science (BS); Business Management and Accounting (AAS); and Medical Specialties (AOS). \(^1\) See the January 8, 2014 letter.

\(^1\) See the January 8, 2014 Continued Show Cause Order.
December 2014

By letter dated December 17, 2014, the Commission informed the school that the Commission voted to continue CA-Fort Collins on Warning based on the following:

- The school’s March 20, 2014 response to the January 8, 2014 Continued Show Cause Order:
  
  In its response to the January 8, 2014 Continued Show Cause Order, the school provided Graduation and Employment Charts prepared using a July 2014 Report Date for the Computer Science BS; Business Management and Accounting (AAS); and Medical Specialties (AOS), which showed a below-benchmark employment rate of 50% for the Medical Specialties (AOS) program.

- The school’s March 31, 2014 response to ACCSC’s February 24, 2014 letter regarding the 2013 Annual Report:

  The Commission reviewed ACCSC’s February 24, 2014 letter requesting the school to submit G&E Charts using a February 2014 Report Date for the Business Administration (BS); Computer Technology & Networking (AAS); Graphic Arts (AAS); and Healthcare Administration (BS) programs. In its March 31, 2014 response to the February 24, 2014 letter, the school had instead provided G&E Charts instead using a July 2014 Report Date for these four programs which showed a below-benchmark employment rate of 50% for the Healthcare Administration (BS) program.

May 2015 Commission Review and Action

In the December 17, 2014 Warning, the Commission directed CA-Fort Collins to submit a G&E Chart for the Medical Specialties (AOS) and Healthcare Administration (BS) programs using a March 2015 Report Date. Instead, the school provided copies of the G&E Charts printed from the 2014 Annual Report portal with a July 2014 Report Date. The school’s response to the December 17, 2014 Warning also states that the Commission did not review the 2014 Annual Report as the Commission indicated in the Warning, because if the Commission had it would have found that all programs using the same July 2014 Report Date now meet the benchmark rates. The 2014 Annual Report rates notwithstanding, the Commission found the school’s submission to be unresponsive to the December 17, 2014 Warning. The fact that the school’s student achievement rates using a July 2014 Report Date improved from the school’s first submission in March 31, 2014, which the school chose to submit instead of the February 2014 Charts as requested in the February 24, 2014 letter, to the time of the 2014 Annual Report submitted in October 2014 does not constitute a response to the Commission’s directive to submit March 2015 G&E Charts in the December 17, 2014 Warning. The school has in the past reported below benchmark student achievement rates and therefore it is not unreasonable for the Commission to request Reporting or G&E Charts with varying Report Dates as a means to assess the school’s ongoing state of compliance with ACCSC’s student achievement benchmarks.

That being said, the Commission is interested in moving forward as a means to examine current student achievement data and information and the school’s current state of compliance with ACCSC student achievement benchmarks. Accordingly, the Commission directs the school to submit the following:

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2 As explained in the December 17, 2014 Warning.
3 The school submitted two different sets of G&E Charts using a July 2014 Report Date, presumable providing updated data. For the Healthcare Administration program, in one instance the employment rate fell below benchmark and in the other instance the employment rate met benchmark.
4 The Commission has “the authority to establish the frequency, format, and content of required reports” (Section V (A)(2), Rules of Process and Procedure, Standards of Accreditation) and may at any time “request a school to produce documentation that it deems pertinent and relevant” (Section I (b)(1), Rules of Process and Procedure, Standards of Accreditation). It is the school’s obligation to fulfill all reporting requirements in order to main eligibility for accreditation (Section I (E)(2)(c), Rules of Process and Procedure, Standards of Accreditation).
a. The G&E Charts submitted by the school in the 2015 Annual Report for all active programs.

b. For each G&E Chart submitted, provide supporting summary information and documentation for the graduation and employment data organized according to the corresponding cohort start date reported on the chart (line #1) as follows:

i. For each student reported provide the following information:

<table>
<thead>
<tr>
<th>Student Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Graduation Date</th>
<th>Withdrawal/ Termination Date</th>
</tr>
</thead>
</table>

ii. For each student classified as “Unavailable for Graduation” (line #6), provide the following information:

<table>
<thead>
<tr>
<th>Student Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Reason Unavailable</th>
<th>Description of the Documentation on File</th>
</tr>
</thead>
</table>

iii. For each graduate reported, provide the following information:

<table>
<thead>
<tr>
<th>Graduate Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Employer Name, Address, &amp; Phone #</th>
<th>Employer Point of Contact</th>
<th>Date of Initial Employment</th>
<th>Descriptive Job Title</th>
<th>Other Status (Unemployed, Further Ed., Unknown, Etc.)</th>
</tr>
</thead>
</table>

iv. For each graduate classified as “Graduates-Further Education” (line #11) or “Graduates-Unavailable for Employment” (line #12), provide the following information:

<table>
<thead>
<tr>
<th>Graduate Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Classification on the G&amp;E Chart</th>
<th>Reason</th>
<th>Description of the Documentation on File</th>
</tr>
</thead>
</table>

c. For each active program provide a history of outcomes reported to the Commission since the beginning of the current term of accreditation (2008) in the following format:

<table>
<thead>
<tr>
<th>Program Name and Credential</th>
<th>Source (e.g., response to [date] Commission letter or [date] TSR; [date] Annual Report)</th>
<th>Report Date</th>
<th>Length in Months</th>
<th>CA-Denver Graduation Rate</th>
<th>ACCSC Graduation Benchmark</th>
<th>CA-Denver Employment Rate</th>
<th>ACCSC Employment Benchmark</th>
</tr>
</thead>
</table>

d. For each program for which the 2015 Annual Report rates of student graduation and graduate employment do not meet the ACCSC benchmark, the school must provide:

i. An updated description of the factors impacting the rates of student graduation (e.g., admissions requirements and student support) and graduate employment (e.g., economic conditions);

ii. The strategies being implemented by the school to target, mitigate, and overcome those factors;

iii. How the school is measuring the effectiveness of those strategies;

iv. An analysis of the effectiveness of the school’s efforts; and

v. To the extent available, contemporaneous retention, graduation, and employment data.

As set forth in Section VII (B)(2)(c), Substantive Standards, Standards of Accreditation, the Commission at its discretion may take a programmatic action such as to require an on-site evaluation; temporarily
require a school to cease enrollment in a program; suspend or revoke program, degree-granting, or distance education approval; or may take an institutional action (see Section VII, Rules of Process and Procedure, Standards of Accreditation) when the Commission has determined that the school has not demonstrated acceptable student achievement either through its student learning assessment efforts, rates of graduation or employment attainment, or a combination thereof. This letter serves as notice that the Commission will take further programmatic or institutional action if the school cannot demonstrate improvement in the student achievement outcomes of its programs.

OTHER REPORT REQUIREMENTS

At the May 2015 meeting, the Commission also considered compliance reports for the CEHE system of schools. The Commission’s decisions and directives are set forth in a separate letter. The school’s response will need to be submitted as directed in that letter.

PROBATION REQUIREMENTS:

In cases where the Commission has reason to believe that a school is not in compliance with accreditation standards and other requirements, the Commission may, at its discretion, place a school on Probation. A school subject to a Probation Order must demonstrate corrective action and compliance with accrediting standards.

The Commission will not consider substantive changes, a change of location/relocation, or additions (i.e., separate facilities, new programs) to a school or its separate facilities while the school is on Probation. However, a school that is subject to Probation may seek the Commission’s approval for the transfer of accreditation that would result from a change of ownership as described in Section IV, Rules of Process and Procedure, Standards of Accreditation.

In accordance with Section X, Rules of Process and Procedure, Standards of Accreditation, a copy of the Probation Order is made public and provided to the U.S. Department of Education, appropriate State agencies, and appropriate accrediting agencies. Moreover, in accordance with Section X (C)(6), Rules of Process and Procedure, Standards of Accreditation, the Commission has notified the U.S. Department of Education of this action pertaining to the findings related to the school’s federal financial aid responsibilities.

In accordance with Section VII (L)(8), Rules of Process and Procedure, Standards of Accreditation, a school subject to a Probation Order must inform current and prospective students that the school has been placed on Probation and that additional information regarding that action can be obtained from the Commission’s website.

MAXIMUM TIMEFRAME TO ACHIEVE COMPLIANCE:

Please refer to Section VII (M), Rules of Process and Procedures, Standards of Accreditation for the maximum timeframe allowed for CA-Fort Collins to achieve and demonstrate compliance with the Standards of Accreditation set forth in this letter. The timeframe to achieve compliance begins as of the date of this letter. Please also be advised that the Commission is under no obligation to wait for the maximum timeframe to expire and may take an adverse action prior to the expiration of the maximum allowable timeframe.

RESPONSE REQUIREMENTS:

By applying for accreditation, a school accepts the obligation to demonstrate continuous compliance with the Standards of Accreditation. While the Commission employs its own methods to determine a school’s compliance with accrediting standards, the burden rests with the school to establish that it is meeting the
standards. The Commission’s deliberations and decisions are made on the basis of the written record and thus a school must supply the Commission with complete documentation of the school’s compliance with accrediting standards.

CA-Fort Collins must provide a response to the items expressed above that provides the information requested along with any additional information that the school believes supports a demonstration of compliance with accrediting standards. If the school’s response contains documentation that includes personal or confidential student or staff information that is not required for the Commission’s review (e.g., social security numbers, dates of birth, etc.), please remove or redact that information.

CA-Fort Collins must upload the school’s electronic response directly to ACCSC’s College 360 Database. The ACCSC College 360 database can be accessed by clicking here. Please note that the password utilized by the institution to access the Annual Report Portal is the same to access the School Submission section of the College 360 database. The Instructions for College 360 DMS Submissions can be found here. A detailed overview on how to upload a school submission can be found here.

Keep in mind, the school’s response must be prepared in accordance with ACCSC’s Instructions for Electronic Submission (e.g., prepared as one Portable Document Format (“PDF”) file that has been prepared using Adobe Acrobat software (version 8.0 or higher) and which has a .pdf extension as part of the file name). The school will receive an e-mail confirmation that the file has been received within 24 hours of the submission.

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For further assistance or additional information, please contact me at 703.247.4520 or mccomis@accsc.org.

Sincerely,

Michale S. McComis, Ed.D.
Executive Director

c: Susie Reed, susie.reed@collegeamerica.edu

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5 ACCSC has issued the first two modules of the Blueprints for Success Series: Organizing an Effective Electronic Submission and Preparing a Comprehensive Response for Commission Consideration which provide a framework for submitting a well-documented, organized, electronic response for Commission consideration. ACCSC encourages the school to review these modules prior to formulating its response to this letter. More information is available under the Resources section at www.accsc.org.
June 17, 2015

Kiersten Murdoch
Director
CollegeAmerica-Colorado Springs
2020 N. Academy Blvd.
Colorado Springs, Colorado 80909

Dear Ms. Murdoch:

At the May 2015 meeting the Accrediting Commission of Career Schools and Colleges (“ACCSC” or “the Commission”) voted to take the following actions with regard to CollegeAmerica-Colorado Springs (“CollegeAmerica-Colorado Springs”) located in Colorado Springs, Colorado:

- The Commission considered its previous decision to place CollegeAmerica-Colorado Springs on Warning.1 In accordance with accrediting standards regarding the responsibilities between main schools and their branches, the accredited status of a branch campus is dependent upon the continued accreditation of the main school (Section VIII (B)(3), Substantive Standards, Standards of Accreditation). CollegeAmerica-Colorado Springs is a branch of CollegeAmerica-Denver (M001507). At the May 2015 meeting the Commission voted to place CollegeAmerica-Denver on Probation, with the next review at the November 2015 meeting, due to questions regarding continuous compliance with accrediting standards raised by the school’s reporting of prevalent and persistent low student achievement outcomes. As such, the Commission voted to place CollegeAmerica-Colorado Springs on Probation until the main school has addressed those compliance issues;

- The Commission considered its September 2, 2014 letter placing College America-Colorado Springs on Admissions Reporting and the school’s response and voted to accept the school’s response and remove CollegeAmerica-Colorado Springs from Admissions Reporting; and

- The Commission considered the 2014 Annual Report supplemental information and upon review of ACCSC’s March 17, 2015 letter and the school’s response the Commission determined that more information is needed and voted to direct the school to submit an Outcomes Report.

OUTCOMES REPORT

The Commission directs CollegeAmerica-Colorado Springs to demonstrate successful student achievement (Section VII (B)(1)(b) & Section VII (B)(2)(b), Substantive Standards, Standards of Accreditation).

In its 2014 ACCSC Annual Report, CollegeAmerica-Colorado Springs reported a graduation rate of 0% for the 20-month Medical Specialties (offered at the satellite location) and an employment rate of 64% for the Computer Science program which fall below the Commission’s benchmark rates. Therefore, by letter dated March 17, 2015 ACCSC requested additional information including Graduation and Employment Charts using a February 2015 Report Date for these programs. The response indicates that the Medical Specialties program has been discontinued and taught out and that the school intends to submit the

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1 From the Commission’s December 17, 2014 Warning Order: In accordance with accrediting standards regarding the responsibilities between main schools and their branches, the accredited status of a branch campus is dependent upon the continued accreditation of the main school (Section VIII (B)(3), Substantive Standards, Standards of Accreditation). CollegeAmerica-Colorado Springs is a branch of CollegeAmerica-Denver (M001507). The Commission voted to continue CollegeAmerica-Denver on a Warning Order due to questions regarding continuous compliance with accrediting standards raised by the school’s reporting of prevalent and persistent low student achievement outcomes. As such, CollegeAmerica-Colorado Springs will remain under a Warning Order until the main school has addressed those compliance issues.
appropriate notification paperwork to ACCSC. For the Computer Science program the school provided a corrected July 2014 Graduation and Employment (“G&E”) Chart, which shows a below-benchmark employment rate.

The Commission determined that the school’s response regarding the Medical Specialties program is acceptable but is interested in ensuring the school submits the appropriate paperwork to discontinue the program and the satellite location. With regard to the Computer Science program, it appears that the school only submitted a corrected July 2014 Graduation and Employment Chart which shows an employment rate of 64% and did not submit the February 2015 Chart as requested. In light of the below-benchmark employment rate for this program the Commission determined that an update is warranted. Accordingly the Commission directs the school to submit the following:


b. Summary information and documentation for the graduation and employment data organized according to the corresponding cohort start date reported on the chart (line #1) as follows:
   i. For each student reported provide the following information:

<table>
<thead>
<tr>
<th>Student Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Graduation Date</th>
<th>Withdrawal/Termination Date</th>
</tr>
</thead>
</table>

   ii. For each student classified as “Unavailable for Graduation” (line #6), provide the following information:

<table>
<thead>
<tr>
<th>Student Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Reason Unavailable</th>
<th>Description of the Documentation on File</th>
</tr>
</thead>
</table>

   iii. For each graduate reported, provide the following information:

<table>
<thead>
<tr>
<th>Graduate Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Employer Name, Address, &amp; Phone #</th>
<th>Employer Point of Contact</th>
<th>Date of Initial Employment</th>
<th>Descriptive Job Title</th>
<th>Other Status (Unemployed, Further Ed., Unknown, Etc.)</th>
</tr>
</thead>
</table>

   iv. For each graduate classified as “Graduates-Further Education” (line #11) or “Graduates-Unavailable for Employment” (line #12), provide the following information:

<table>
<thead>
<tr>
<th>Graduate Name</th>
<th>Program</th>
<th>Start Date</th>
<th>Classification on the G&amp;E Chart</th>
<th>Reason</th>
<th>Description of the Documentation on File</th>
</tr>
</thead>
</table>

c. Any additional information, to include contemporaneous retention, graduation, or employment data, that the school believes will be useful to the Commission in making a determination regarding the school’s compliance with ACCSC’s student achievement outcomes requirements;

d. Proof that under separate cover the school has submitted an official letter notifying the Commission of the closure of the satellite location, including the effective date of the closure (Section IV (A)(3) Rules of Process and Procedure, Standards of Accreditation) – due under separate cover within 10 days of the effective date of closure; and

e. Proof that under separate cover the school has submitted an ACCSC Programmatic Teach-Out Plan Approval Form for the Medical Specialties (AOS) program – due under separate cover within 30 days of the date of this letter.
According to accrediting standards, for any program that has a graduation or employment rate that is lower than the Commission’s established benchmark rates, a school may still demonstrate with supporting documentation the successful achievement of its students in that program by providing other reliable indicators of successful student learning and by showing that factors such as economic conditions, state and national trends, location, student population served, length of program, students who withdraw from training but still obtain employment, state requirements, or other external or mitigating factors reasonably related to student achievement are adversely impacting the school’s ability to meet the Commission’s established benchmark rates.

OTHER REPORT REQUIREMENTS

At the May 2015 meeting, the Commission also considered compliance reports for the CEHE system of schools. The Commission’s decisions and directives are set forth in a separate letter. The school’s response will need to be submitted as directed in that letter.

PROBATION REQUIREMENTS:

In cases where the Commission has reason to believe that a school is not in compliance with accreditation standards and other requirements, the Commission may, at its discretion, place a school on Probation. A school subject to a Probation Order must demonstrate corrective action and compliance with accrediting standards.

The Commission will not consider substantive changes, a change of location/relocation, or additions (i.e., separate facilities, new programs) to a school or its separate facilities while the school is on Probation. However, a school that is subject to Probation may seek the Commission’s approval for the transfer of accreditation that would result from a change of ownership as described in Section IV, Rules of Process and Procedure, Standards of Accreditation.

In accordance with Section X, Rules of Process and Procedure, Standards of Accreditation, a copy of the Probation Order is made public and provided to the U.S. Department of Education, appropriate State agencies, and appropriate accrediting agencies. Moreover, in accordance with Section X (C)(6), Rules of Process and Procedure, Standards of Accreditation, the Commission has notified the U.S. Department of Education of this action pertaining to the findings related to the school’s federal financial aid responsibilities.

In accordance with Section VII (L)(8), Rules of Process and Procedure, Standards of Accreditation, a school subject to a Probation Order must inform current and prospective students that the school has been placed on Probation and that additional information regarding that action can be obtained from the Commission’s website.

MAXIMUM TIMEFRAME TO ACHIEVE COMPLIANCE:

Please refer to Section VII (M), Rules of Process and Procedures, Standards of Accreditation for the maximum timeframe allowed for CollegeAmerica-Colorado Springs to achieve and demonstrate compliance with the Standards of Accreditation set forth in this letter. The timeframe to achieve compliance begins as of the date of this letter. Please also be advised that the Commission is under no obligation to wait for the maximum timeframe to expire and may take an adverse action prior to the expiration of the maximum allowable timeframe.

RESPONSE REQUIREMENTS:

By applying for accreditation, a school accepts the obligation to demonstrate continuous compliance with the Standards of Accreditation. While the Commission employs its own methods to determine a school’s
compliance with accrediting standards, the burden rests with the school to establish that it is meeting the standards. The Commission’s deliberations and decisions are made on the basis of the written record and thus a school must supply the Commission with complete documentation of the school’s compliance with accrediting standards.

CollegeAmerica-Colorado Springs must provide a response to the items expressed above that provides the information requested along with any additional information that the school believes supports a demonstration of compliance with accrediting standards. If the school’s response contains documentation that includes personal or confidential student or staff information that is not required for the Commission’s review (e.g., social security numbers, dates of birth, etc.), please remove or redact that information.

CollegeAmerica-Colorado Springs must upload the school’s electronic response directly to ACCSC’s College 360 Database. The ACCSC College 360 database can be accessed by clicking here. Please note that the password utilized by the institution to access the Annual Report Portal is the same to access the School Submission section of the College 360 database. The Instructions for College 360 DMS Submissions can be found here. A detailed overview on how to upload a school submission can be found here.

Keep in mind, the school’s response must be prepared in accordance with ACCSC’s Instructions for Electronic Submission (e.g., prepared as one Portable Document Format (“PDF”) file that has been prepared using Adobe Acrobat software (version 8.0 or higher) and which has a .pdf extension as part of the file name). The school will receive an e-mail confirmation that the file has been received within 24 hours of the submission.

The response must also include a signed certification attesting to the accuracy of the information and be received in the Commission’s office on or before October 15, 2015. If a response is not received in the Commission’s office on or before October 15, 2015, the Commission will consider further appropriate action.

For assistance with the password or for any other questions regarding the electronic submission requirements, please contact Anne Santalla at asantalla@accsc.org or (703) 247-4532. Please note that any password requests to access College 360 must be made by the school director, or designated member of the school’s management team, via e-mail.

For further assistance or additional information, please contact me at 703.247.4520 or mccomis@accsc.org.

Sincerely,

Michale S. McComis, Ed.D.
Executive Director

c: Susie Reed, susie.reed@collegeamerica.edu

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