

Middle States Commission on Higher Education

3624 Market Street, Philadelphia, PA 19104 Tel: 267-284-5000 www.msche.org

November 19, 2018

Dr. Elden Monday Interim President Art Institute of Pittsburgh, The 1400 Penn Avenue Pittsburgh, PA 15222

Dear Dr. Monday:

I am writing on behalf of the Middle States Commission on Higher Education to inform you that on November 15, 2018, the Commission acted as follows:

To acknowledge receipt of the show cause report. To note the visit by the Commission's representatives. To require the institution to continue to show cause, by March 1, 2019, to demonstrate why its accreditation should not be withdrawn because of insufficient evidence that the institution is in compliance with Standard II (Ethics and Integrity), Standard VII (Governance, Leadership, and Administration), Requirements of Affiliation 12, 13, and 14, and the Related Entities Policy. To note that the institution is now in compliance with Standard IV (Support of the Student Experience), Standard VI (Planning, Resources, and Institutional Improvement) and Requirements of Affiliation 11 and 15. To note that the institution remains accredited while on show cause. To note further that federal regulations limit the period during which an institution may be in non-compliance to two years. To require a show cause report, due March 1, 2019, documenting evidence that the institution has achieved and can sustain ongoing compliance with the Commission's standards, requirements, policies and procedures, and federal compliance requirements. The show cause report must include evidence of: (1) the breadth of the relationships involving the related entities, Dream Center Foundation and Dream Center Education Holdings (DCEH), including the identification of contractual relationships, employment, and family or financial interests that could pose or be perceived as conflicts of interest (Standard II; Requirement of Affiliation 14; Related Entities Policy); and (2) a legally constituted governing body that has sufficient independence and expertise, with appropriate fiduciary responsibilities, is responsible and accountable for academic quality, planning, and the fiscal well-being of the institution, provides oversight at the policy level, and is informed in all its operations by principles of good practice in board governance

(Standard VII and Requirements of Affiliation 12 and 13). In addition, to request that the show cause report also provide further evidence of (1) the institution's capacity to support increased enrollment in online programs, including fiscal and human resources as well as the physical and technical infrastructure adequate to support its operations (Standard IV and Requirement of Affiliation 15), and (2) strategies to address enrollment and improve the institution's financial viability and sustainability (Standard VI and Requirement of Affiliation 11). To direct an on-site show cause visit following submission of the report. The purpose of the on-site show cause visit is to verify the information provided in the show cause report and the institution's ongoing and sustainable compliance with the Commission's standards, requirements, policies and procedures, and federal compliance requirements. To direct a prompt Commission liaison guidance visit to discuss the Commission's expectations. To note that the institution will be invited to appear before the Commission when it meets to consider the institution's show cause report. To note that the date of the next evaluation visit will be determined when accreditation is reaffirmed and early self-study will not be required at this time.

This serves as the Commission's official notification of this action. This action appears on the institution's Statement of Accreditation Status (SAS). If any of the information contained within the action appears to be factually incorrect, please send an email within 30 calendar days of the action to actions@msche.org.

This action is a non-compliance action and includes a request for a show cause report, teachout plan, and a show cause visit. An explanation of this type of action is provided in the Commission's *Accreditation Actions Policy and Procedures*.

This notification will be made publicly available on the Middle States Commission on Higher Education website in accordance with Commission policy *Communication in the Accreditation Process*. In accordance with policy and federal regulation, the Commission provides notification of non-compliance actions to the United States Secretary of Education, the appropriate state or other licensing or authorizing agency, and the appropriate accrediting agencies at the same time it notifies the institution, but no later than 30 days after it takes the action. The Commission provides notification of accreditation actions to the public through its website within 24 hours of informing the institution. Please ensure that the institution's published references to its accreditation status align with Commission policy.

The institution is invited to appear before the Commission when the Commission meets to consider the institution's show cause report. *The Show Cause Appearance Before the Commission Prior to Withdrawal of Accreditation* describes the procedures. Please note that the institution is required to inform the Commission of its intent to appear before the Commission at least fourteen (14) calendar days prior to the Commission meeting at which the adverse action will be considered. Additional communications will be sent from the President's Office relating to this process.

The institution is also invited to submit an official statement in response to the above Commission action. Any statement must be sent to actions@msche.org within 30 calendar days from the date of the action.

The following resources provide additional information that may be helpful to understanding the Commission's actions and the institution's accreditation status:

Accreditation Actions Policy and Procedures

Accreditation Review Cycle and Monitoring Policy and Procedures

Communication in the Accreditation Process

Show Cause Appearance Before the Commission Prior to Withdrawal of Accreditation

For questions about the Commission's actions, please contact the institution's assigned Commission staff liaison. Questions from the public about the institution's accreditation status can be directed to communications@msche.org.

Sincerely,

Elizabeth H. Sibolski, Ph.D.

Elizabeth A. Dibolski

President