

February 27, 2019

Mark E. Dottore
Receiver
Dottore Companies
2344 Canal Road
Cleveland, OH 44113

Joseph Harbaugh
Chair
Argosy University Board of Trustees
601 S. Lewis Street
Suite 336
Orange, California 92868

Via electronic mail

Dear Mr. Dottore:

At its February 21-22, 2019 meeting, the WASC Senior College and University Commission (“WSCUC or “the Commission”) considered the response of Argosy University (“Argosy” or “the University”) and Dottore Companies to the Order to Show Cause issued by WSCUC on January 19, 2019. The Commission also considered information provided in its correspondence dated February 19, 2019 and during Argosy’s appearance at the Show Cause hearing conducted on February 21, 2019 before a Panel of Commissioners.

This is to inform you that the Commission acted to continue the Show Cause and to set another hearing date for March 15, 2019. The Commission intends to closely monitor the University’s financial position and administration of educational programs and student services through the review of information and reports considered critical to the University’s accreditation status. The information must be provided in accordance with the schedules and deadlines indicated for each report.

- 1. Criterion for Review 3.4 “The institution is financially stable and has unqualified independent financial audits and resources sufficient to ensure long-term viability. Resource planning and development include realistic budgeting, enrollment management, and diversification of revenue sources. Resource planning is integrated with all other institutional planning. Resources are aligned with educational purposes and objectives.”**

By March 8, 2019, Argosy must provide a detailed explanation of how resources are being allocated to support educational purposes and objectives, a demonstration that the University has sufficient cash to operate through the next 30, 60 and 90 days, and a detailed explanation of the longer-term plans to secure sufficient resources for the institution to continue to operate, including once it exits receivership.

Beginning on March 11, 2019, the University must provide on a weekly basis:

- (1) cash flow reports showing all court-approved disbursements;
- (2) weekly reports on the number of students receiving disbursements of federal student aid for expenses, and on the number of eligible students awaiting federal student aid disbursements. These reports should be for total amounts outstanding for the University and by campus;
- (3) updated information on Argosy's progress toward acquisition(s), partnership, or other change in control, including any available draft purchase agreement and term sheet (these documents may be redacted); and
- (4) a report on the receiver's progress toward securing a line of credit or loans to support the continuing operation of the University.

2. Criterion for Review 3.1 “The institution employs faculty and staff with substantial and continuing commitment to the institution. The faculty and staff are sufficient in number, professional qualification, and diversity and to achieve the institution’s educational objectives, establish and oversee academic policies, and ensure the integrity and continuity of its academic and co-curricular programs wherever and however delivered.”

By March 8, 2019, provide a list of all advisors who participate in the daily conference call with the receiver.

Beginning on March 11, 2019, provide a weekly report, sorted by campus, of faculty and staff who have been terminated, have voluntarily left their positions at the University, or have been reassigned since Argosy entered into receivership or since the close of the drop/add period. Provide updated weekly reports thereafter.

Beginning on March 11, 2019, provide a weekly report on the availability of student services, including staffing by campus, volume of calls to student services providers, including for students seeking psychological services, and response times for providing those services.

Beginning on March 11, 2019 provide a weekly report on student enrollment and withdrawals (drops and transfers out) by program and by campus.

By March 11, 2019, submit comprehensive teach out plans (by program and campus) that comply with the *WSCUC Teach Out Plans and Agreement Policy and Guidelines*. Include course/program maps to comparable programs that **may** serve as teach out partners.

3. Criterion for Review 3.6 “The institution’s leadership, at all levels, is characterized by integrity, high performance, appropriate responsibility, and accountability.”

Criterion for Review 3.7 “The institution’s organizational structures and decision-making processes are clear and consistent with its purposes, support effective decision making, and place priority on sustaining institutional capacity and educational effectiveness.”

Criterion for Review 3.9 “The institution has an independent governing board or similar authority that, consistent with its legal and fiduciary authority, exercises appropriate oversight over institutional integrity, policies, and

ongoing operations, including hiring and evaluating the chief executive officer.”

By March 11, 2019, provide updated information describing how responsibility and accountability are being exercised by and are expected of Argosy University trustees, advisory committees, and administrative leaders and how they contribute to decisions about the University’s continuing operation. Include both leaders in the central administration as well as those based at individual branch campuses and additional locations. Beginning on March 11, 2019, provide weekly reports of changes in leadership within the Board of Trustees, Advisory Committees, and senior level administration.

At the next hearing, the Commission will use the reports and information provided to guide its discussion and to determine what further action is warranted. You are asked to affirm no later than March 13, 2019 who will be in attendance for Argosy University and the Receiver’s office at the hearing, which may take place by teleconference. We will notify you of the hearing time.

Please let me know if you have any questions related to these expectations or proceedings.

Sincerely,



Jamiene S. Studley
President

Cc: Reed Dasenbrock, Chair, WSCUC
Elise A. Scanlon, General Counsel, WSCUC
Christopher N. Oberg, Vice President and COO, WSCUC
Charlita Shelton, Chief Academic Officer, Argosy University
Stuart Sigman, Executive Director of Academic Operations and Strategy, Argosy University
Mary K. Whitmer, Counsel, Dottore Companies