

April 22, 2021

ELECTRONIC DELIVERY

██████████
Chief Executive Officer
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Withdrawal of Accreditation

Dear Mr. ██████████

At the February 2021 meeting, the Accrediting Commission of Career Schools and Colleges (“ACCSC” or “the Commission”) considered the following:

- The previous decision to continue the system of schools in the Center for Excellence in Higher Education (“CEHE”) on Probation, and matters related thereto;¹ and
- CEHE’s response to ACCSC’s letter of October 26, 2020, requesting additional information regarding the ruling by the District Court, City and County of Denver, State of Colorado (“District Court”), in favor of the State of Colorado and against the Defendants, jointly and severally, to include ██████████ for civil penalties under the Colorado Consumer Protection Act (“CCPA”), and injunctive relief under the CCPA and Uniform Consumer Credit Code (“UCCC”).

Upon review of the record, the Commission found that Independence University (“IU”), which as of the date of this letter, remains the only active main school or branch campus in the CEHE system not in a teach-out status, failed to demonstrate successful student achievement by maintaining acceptable rates of student graduation and employment in the career field for which the school provided education over a significant history of reporting and monitoring. In this regard, the history is significant in terms of the length of time afforded IU to come into compliance with standards, significant in terms of the breadth of the failure throughout the school’s programmatic offerings, and significant in terms of the number of students the school failed to serve.

Therefore, the Commission voted to withdraw IU’s accreditation and to remove the school from the list of ACCSC-accredited institutions.² The chronology of the Commission’s review and bases for the Commission’s decision to withdraw IU’s accreditation are set forth below.³

History of the Commission’s Review

The history and compliance history of IU is part of the history and compliance history of the oversight of the corporation CEHE and its system of affiliated schools is laid forth in Appendix II. The Commission noted that from 2003 to 2012, the CEHE system of schools underwent a period of growth and acquisition from six schools in November 2002, to 16 schools in 2012. From 2012 to the present, the schools have been

¹ See Appendix I included as part of this letter.

² Pursuant to *Section VIII (B)(3), Substantive Standards, Standards of Accreditation*, the accredited status of branch campuses are dependent upon the continued accreditation of the main school. Therefore, the Commission’s action to withdraw the accreditation of the main campus also withdraws the accreditation of the branch campuses, Stevens-Henager College in Murray, Utah (B070583), Stevens-Henager College in Boise, Idaho (B070764), and the satellite location in Layton, Utah (S460424). Other campuses in the CEHE system remain on Probation for the duration of the approved teach out of students.

³ Although the Commission’s decision to remove IU from the accredited list is based on the school’s failure to demonstrate successful student achievement outcomes as required by accrediting standards, this does not mean that the Commission found that the school demonstrated compliance in the other areas outlined in the July 21, 2020 Continued Probation Order.

subject to scrutiny by the Commission due to an inability to demonstrate continuous compliance with accrediting standards, particularly in the areas of acceptable student achievement, advertising and recruitment tactics, rigor of the admissions process, and employment classifications. From 2017 through 2021, the system had closed and consolidated schools so that by March 2021, there is only a single school that is not operating in a teach-out status – IU. The status of operations at CEHE-affiliated schools is described in the table below.

CAMPUS	NUMBER OF ACTIVE STUDENTS	EXPECTED LAST DATE OF GRAD
Independence University (M070581)	9,335 as of June 30, 2020*	N/A
Stevens-Henager – Murray (B070583)	21 as of March 24, 2021	June 19, 2022
Stevens-Henager College – Boise (B070764)	38 as of March 24, 2021	July 17, 2022
Stevens-Henager College – Layton (S460424)	N/A	N/A
California College San Diego – National City (M001073)†	55 as of March 24, 2021	July 17, 2022
California College San Diego – San Marcos (B072374) †	68 as of March 24, 2021	August 28, 2022
CollegeAmerica – Phoenix (B070743) †	48 as of March 24, 2021	August 29, 2021

* As of June 30, 2020, enrollment at the main school (070581) was reported as 114 and enrollment at the consolidated branch (072309) was reported as 9,220.

† These campuses remain accredited and on Probation during the period of the approved teach out of students.

As noted in the school's compliance history, the system of CEHE-affiliated schools has been under the Commission's scrutiny for an extended period. During this time, the Commission has given notice to the schools regarding the findings of non-compliance, defined the maximum timeframe in which to demonstrate compliance with standards, provided notice regarding the consequences for failing to make the requisite changes, and provided ample opportunity for the school to achieve and demonstrate compliance. The Commission's findings and communications, particularly in the last four years, reflect a deepening concern regarding the magnitude of the schools' failure to demonstrate compliance with standards and heightened awareness of the expiration of the timeframe available to the school to remedy the areas of non-compliance, as follows:

During the May and September 2018 reviews, the Commission raised serious substantive questions about the failure of the school to demonstrate compliance with accreditation standards over an extended period of time, the apparent lack of engagement in self-assessment, the inability to effect permanent improvements, and ultimately whether the schools voluntarily supported and respected the accreditation process. The Commission expressed these observations in the September 6, 2018 letter as follows:

The Commission found that the record shows that the inputs, resources, and processes of CEHE schools are designed and implemented in a manner that is not designed for student success. CEHE's advertising and recruitment tactics coupled with a poorly documented admissions process has fostered the creation of a student population that the schools are ill-prepared to educate. In addition to questions regarding the length and educational objectives of certain programs, the record before ACCSC raises significant questions about the schools' delivery of all of its program offerings. The Commission suspects that the result of the CEHE's focus on recruitment and lack of attention to educational quality is evidenced by the widespread and persistent below-benchmark rates of graduation and employment reported throughout the system of CEHE-affiliated institutions. In addition, the school's practices with regard to transferring students and employment classifications may in fact be preventing the Commission from a more fulsome opportunity to determine whether they are truly an accurate depiction of student success. Overall, the Commission

found CEHE's response to be dismissive of the schools' responsibilities to the students and to the accrediting process. Of particular note is the attempt by CA-Flagstaff to blame low rates of student success on the ethnic culture of its students. The character of that response portrays an institutional disregard of the school's responsibility for addressing the needs of the students admitted by the school from the very community the school has elected to serve, which is a fundamental expectation of ACCSC accreditation.

Overall, it is not clear that CEHE agrees "to support the accreditation process," or to meet or exceed the Standards of Accreditation throughout the application and accreditation period," as required by the Standards of Accreditation. The responses to on-site evaluation team findings routinely consist of attacking the validity of a standard, the application of a standard, and the actions of on-site evaluation team and ACCSC-staff members. The character of the responses portrays an institutional culture of disregard of the school's responsibility to support the accreditation process and to meet the Standards of Accreditation. At this juncture, the Commission questions whether the CEHE system of schools is misaligned with ACCSC's mission and purpose to an irremediable extent. Therefore, the Commission voted to place the CEHE system of schools on Probation with a subsequent review scheduled for the February 2019 meeting. The critical focus of that review and the Commission's next decision will be CEHE's ability to demonstrate a commitment to student success and a commitment to supporting ACCSC's mission and purpose (p. 6-7).

With that letter, the Commission informed CEHE that the timeframe to achieve compliance, pursuant to *Section VII (M)(1) Rules of Process and Procedure, Standards of Accreditation*, began as of the date of the letter. Therefore, the period allotted to the schools to remedy the noncompliance or cure the deficiency would end on September 7, 2020.⁴ The Commission also informed the school that the Commission is under no obligation to wait for the maximum timeframe to expire and has the authority to take an adverse action prior to the expiration of the maximum allowable timeframe. In each of the 18 areas of non-compliance, the Commission afforded the CEHE-affiliated schools an opportunity to submit additional information to demonstrate compliance with accrediting standards.

The Commission made the following observation as described in the letter dated May 2, 2019:

...the character of the responses under review at the February 2019 meeting portrays a significant shift in tone and toward taking the action required to achieve and demonstrate compliance with the Standards of Accreditation. The record reflects that CEHE has begun the process of candid self-evaluation and is working to develop realistic solutions across the array of compliance issues outlined in this and previous letters. The Commission recognized and appreciates the amount of effort CEHE and its campuses have put into developing new policies and procedures and implementing new practices (p. 2).

Despite the observation expressed above, the Commission also stated in the May 2, 2019 letter that:

...significant questions remain with regard to successful student achievement, reporting practices, admissions practices related to distance education students, and practices with regard to international students among others, which the Commission believes warrant further clarification and monitoring. The Commission expects that CEHE will direct the same conscientious attentiveness to these questions, and supply thorough documentation to successfully address the outstanding issues (p. 2).

⁴ At the May 2020 meeting, the Commission determined that good cause exists to extend the timeframe to achieve compliance to May 31, 2021. See additional information in this letter on p. 5.

The Commission also determined that to prolong the outcomes reporting process at that time was not an acceptable course of action for some programs due to the history and trend of below-benchmark rates of student achievement. As such, the Commission directed IU to cease enrollment in five programs: Business-DE (AAS), Graphic Arts-DE (AAS), Healthcare Administration-DE (AAS), Master of Business Administration-DE (MBA), and Respiratory Therapy-DE (AS).

The May 2, 2019 letter reiterated the maximum timeframe that would be allowed for the CEHE-affiliated schools to come into compliance:

Based on Section VII (M), Rules of Process and Procedures, Standards of Accreditation and the schools' longest program of more than two years, the maximum timeframe allowed for the CEHE-affiliated schools, to achieve and demonstrate compliance with the Standards of Accreditation is two years. The timeframe to achieve compliance began as of September 6, 2018 and ends on September 7, 2020⁵. 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.

With the May 2, 2019 letter, the Commission afforded the CEHE-affiliated schools an opportunity to submit additional information to demonstrate compliance with accrediting standards in each of the 17 areas of non-compliance.

During the August 2019 review of the school's response, the Commission made the following observation regarding overall compliance as described in the October 28, 2019 letter:

Although the schools were able to address a significant number of the questions raised in the May 2, 2019 Probation Order, there are still a number of issues that remain in question. The Commission determined that the response does not include sufficient information and documentation to address the questions raised with regard to advertising, assessment of prospective students for distance education programs, independent study, international students, the attendance policy, and the way in which CCSD-San Diego is equipped for the Computer Programming (AAS), Computer Technology & Networking (AAS), and Computer Science (BS) program. Finally, as a result of the August 2019 review, the Commission raised two questions with regard to the school system's compliance with fundamental tenets of ACCSC's accreditation process: student achievement outcomes and the integrity of information provided by the schools. With regard to student achievement, the Commission noted the magnitude of the programs that are failing to demonstrate successful student achievement at some of the schools in CEHE's system, most notably Independence University, California College-San Diego, and CollegeAmerica in Phoenix. In addition, the schools' submissions with regard to enrollment agreements call into question whether CEHE has provided accurate and reliable information to the Commission (p.2).

With regard to student success, the Commission noted that 7 of the 15 affiliated schools reported above-benchmark rates for all programs, and that the remaining 8 schools reported below-benchmark rates of student achievement for at least one program. Two of those schools are reporting below benchmark rates for fewer than 50% of the schools' active reportable programs; however, there are six schools reporting below benchmark rates for at least half of the active reportable programs. It is not clear that those six schools have addressed the underlying problem impacting student success (p. 2).

⁵ See previous footnote regarding the extension of the maximum timeframe.

If Independence University – the only CEHE-affiliated institution currently offering education exclusively via distance education – is taken as the bellwether of student success rates for distance education programs for the CEHE system, the Commission considered the possibility that there may be further declines in the rates of student success. Of the 13 active programs at Independence University that have been operational long enough to be reportable, 4 programs met ACCSC's student achievement benchmarks. That means 69% of the school's programs reported below-benchmark rates of student achievement, and in addition, the school has already discontinued five programs due to poor performance. Given these indicators, it remains the Commission's primary concern that CEHE vigorously pursue strategies to ensure student success as all programs transition into a distance education delivery format (p. 10).

In addition, the Commission noted that IU discontinued three of the programs under the May 2, 2019 cease-enrollment directive: Graphic Arts-DE (AAS), Healthcare Administration-DE (AAS) and Respiratory Therapy-DE (AS). The Commission decided to continue the cease enrollment directive on the Business-DE (AAS) and Master of Business Administration-DE (MBA) programs. With the October 28, 2019 letter, the Commission afforded the CEHE-affiliated schools an opportunity to submit additional information to demonstrate compliance with accrediting standards in each of the 9 areas of non-compliance. The letter reiterated the maximum timeframe to remedy compliance, and reminded the school that the Commission is under no obligation to wait for the maximum timeframe to expire and that the Commission may take an adverse action prior to the expiration of the maximum allowable timeframe.

During the May 2020 review of the record, the Commission observed the following with regard to the status of compliance at the institutions as excerpted from the July 21, 2020 Commission letter:

Of particular concern is that IU continues to report below-benchmark rates of student achievement. Of the 13 active (non-discontinued) programs that have been operational long enough to be reportable, the school has reported above-benchmark rates of student achievement for only four. The rates reported for the other nine will require significant improvements in order to achieve acceptable rates. The lack of significant improvement over the last three years calls into question the depth of assessment the school has conducted, and therefore does not provide assurance that the current plans will have the needed impact on rates of student achievement (p. 5).

The Commission reviewed its previous decision to direct IU to cease enrolling new students in the Business-DE (AAS) program and Master of Business Administration (MBA) programs and determined that the programs will continue to be subject to the "cease enrollment" directive, as the school continued to report unacceptable rates of student achievement. In addition, the Commission directed IU to cap enrollment in an additional six programs because of an ongoing history of unacceptable student achievement: Accounting-DE (BS), Business Administration-DE (BS), Health Services Management-DE (BS), Information Systems-DE (MS), Medical Assisting-DE (AOS), and Web Design and Development-DE (BS).

The Commission also voted to extend the maximum timeframe to achievement compliance as follows:

The timeframe to achieve compliance began as of September 6, 2018 and ends on September 7, 2020. At the May 2020 meeting, the Commission determined that good cause exists to extend the timeframe to achieve compliance to May 31, 2021. In making this decision, the Commission took note of the extenuating circumstances, including the ongoing teach-out of five campuses, and early closure of eight campuses, which leaves only two operational campuses. The Commission found that these circumstances warrant affording CEHE additional time to manage the multiple

transitions and implement strong measures at the two remaining schools. In particular, the Commission recognized the length of time needed to demonstrate the school's ability to improve student achievement outcomes (July 21, 2019 ACCSC letter, p. 31).

Although the Commission voted to extend the maximum timeframe to achieve compliance at the May 2020 meeting, the Commission also noted the amount of improvement required to achieve compliance. Therefore, the Commission expected "decisive action" on the part of the schools, as follows:

The Commission is concerned about the magnitude of improvement required to demonstrate compliance with accrediting standards, in context of the schools' maximum timeframe to remain on Probation. Decisive action is required on the part of the school to demonstrate its students are achieving the outcomes of the programs at an acceptable rate. The gravity of the situation is heightened by CEHE's reporting of student achievement outcomes that is not in full accordance with Commission requirements. The Commission will consider any further student achievement data presented in any fashion not conforming to the instruction to be invalid and a failure to report accurate data to the Commission. If the school does not bring itself into compliance within the period specified (see Maximum Timeframe to Achieve Compliance section of this letter), the Commission will be obligated to take adverse action (July 21, 2019 ACCSC letter, p. 5).

February 2021 Review

On October 12, 2020, CEHE completed consolidation of the main school and branch into a single entity. All students transferred from the IU branch campus to the newly renamed IU main school (formerly Stevens-Henager College of West Haven, Utah). The programs from the branch were incorporated into ACCSC's approval of the main school in August 2020; however, the student achievement outcomes reported on these programs by the former branch attach to these programs. After the consolidation, IU has:

- 17 active programs that have operational long enough to be reportable via the Graduation and Employment Chart formula;
- 4 programs that have started, but have not been operational long enough to be reportable;
- 2 programs that have not had any enrollments; and
- 4 programs that have been discontinued and are in the process of being taught out.

The Commission reviewed the new data presented in Graduation and Employment Charts prepared using a Report Date of December 2020. The school reported below-benchmark rates of student achievement in 82% (14 of 17) programs that are active and have been operational long enough to be reportable. The Commission also reviewed the history of student achievement outcomes reported by the school in the 2016, 2017, 2018, 2019, and 2020 ACCSC Annual Reports, as presented in the following tables.

HISTORICALLY REPORTING BELOW BENCHMARK RATES

PROGRAM (Credential)	GRADUATION RATES						EMPLOYMENT RATES					
	2016	2017	2018	2019	2020	Dec-20	2016	2017	2018	2019	2020	Dec-20
Accounting-DE (BS) 36 months	No Starts*	No Starts	17%	20%	24%	26%	No Starts	No Starts	73%	79%	72%	73%
Business – DE (AAS) 20 months	13%	16%	19%	21%	18%	16%	74%	53%	41%	59%	72%	65%
Business Administration (BS) 36 months	42%	48%	23%	42%	32%	29%	53%	77%	83%	90%	100%	100%
Business Administration-DE (BS) 36 months	33%	No starts	18%	17%	20%	22%	100%	No Starts	53%	49%	70%	66%
Graphic Arts-DE (BS) 36 months	No Starts	No Starts	19%	21%	19%	23%	No Starts	No Starts	63%	55%	63%	76%
Health Services Management-DE (BS) 38 months	90%	65%	74%	12%	13%	14%	86%	83%	68%	54%	42%	31%
Information Systems-DE (MS) 15 months	50%	53%	37%	58%	78%	59%	67%	75%	30%	73%	77%	63%
Master of Business Administration-DE (MBA) 15 months	60%	59%	70%	63%	74%	65%	50%	53%	44%	60%	64%	54%
Medical Assisting (AOS) 20 months	47%	22%	29%	43%	30%	31%	72%	71%	71%	75%	91%	90%
Medical Assisting-DE (AOS) 22 months	33%	21%	13%	19%	23%	22%	70%	48%	27%	50%	45%	42%
Web Design and Development – DE (BS) 36 months	No Starts	No Starts	13%	12%	8%	10%	No Starts	No Starts	100%	57%	80%	33%

PROGRAMS DISCONTINUED BY THE SCHOOL

PROGRAM (Credential)	GRADUATION RATES						EMPLOYMENT RATES					
	2016	2017	2018	2019	2020	Dec-20	2016	2017	2018	2019	2020	Dec-20
Graphic Arts-DE (AAS) 20 months	18%	16%	18%	22%	18%	N/A	72%	36%	34%	56%	62%	N/A
Accounting (BS) 36 months	64%	55%	33%	43%	31%	N/A	89%	100%	100%	100%	100%	N/A
Respiratory Therapy-DE (AS) 26 months	44%	52%	53%	47%	52%	N/A	56%	46%	61%	59%	67%	N/A
Healthcare Administration (BS) 36 months	47%	33%	20%	30%	24%	N/A	0%	0%	100%	57%	33%	N/A

* “No Starts” means that the school reported no students commencing in the program for the reporting period on Graduation and Employment Charts submitted for that Annual Report.

HISTORICALLY REPORTING ABOVE BENCHMARK

PROGRAM (Credential)	GRADUATION RATES							EMPLOYMENT RATES					
	2016	2017	2018	2019	2020	Dec-20		2016	2017	2018	2019	2020	Dec-20
Nurse Education-DE (MS) 15 months	100%	100%	100%	100%	80%	40%		100%	100%	100%	50%	100%	100%
Nursing Administration-DE (MS) 15 months	100%	100%	50%	100%	No Starts	100%		75%	100%	100%	100%	No Starts	0%
Nursing Education (AD) 25 months	75%	77%	53%	67%	79%	79%		86%	84%	84%	88%	91%	73%
Nursing-DE (BS) 24 months	40%	67%	55%	75%	75%	75%		100%	100%	83%	100%	100%	100%
Respiratory Care-DE (BS) 20 months	84%	82%	72%	78%	76%	71%		85%	86%	80%	93%	97%	96%
Surgical Technologist (AOS) 20 months	53%	57%	48%	52%	43%	24%		75%	92%	91%	91%	92%	100%

PROGRAMS THAT HAVE NOT BEEN OPERATIONAL LONG ENOUGH TO BE REPORTABLE

PROGRAM (Credential)	GRADUATION RATES							EMPLOYMENT RATES					
	2016	2017	2018	2019	2020	Dec-20		2016	2017	2018	2019	2020	Dec-20
Cybersecurity & Networking (BS) 36 months	No Starts*					N/A		No Starts					N/A
Cybersecurity & Networking-DE (BS) 36 months	No Starts					N/A		No Starts					N/A
Medical Assisting (Diploma) 8 months	No Starts					N/A		No Starts					N/A
Medical Billing & Insurance Specialist (Diploma) 8 months	No Starts					N/A		No Starts					N/A
Software and Mobile Application Development (BS) 36 months	No Starts					N/A		No Starts					N/A
Software and Mobile Applications-DE (BS) 36 months	Did Not Have a Start at the Previous Branch					N/A		Did Not Have a Start at the Previous Branch					N/A

* "No Starts" means that the school reported no students as commencing in the program for the reporting period on Graduation and Employment Charts submitted for that Annual Report.

The rates of student achievement presented in the preceding charts shows that unacceptable rates of student achievement have been persistent over a long time and pervasive throughout the institution. In context of the history of student achievement reporting, the Commission noted that the new data does not represent a significant upward trend in the ongoing pattern of unacceptable student achievement rates. According to that history, IU consistently reported below benchmark rates of student achievement in 65% (11 of 17) of the active/reportable programs over the last five years. For 8 of the active/reportable programs, unacceptable rates have persisted for more than three consecutive years. In addition, the Commission noted the programs that are performing below acceptable standards for student achievement affect the highest number of students. Of the students who were reported as students available to graduate in the Graduation and Employment Charts referenced in the tables above, 93% (14,327 of 15,377) were enrolled in programs that are reporting unacceptable student achievement. The Commission further noted that of the 15,377 students that were available to graduate, only 16% (2,518 of 15,377 students) successfully completed the program and achieved the vocational objectives of the program (i.e., employment in the field of training). The Commission found that the low percentage of IU students that achieve success strongly reinforces the conclusion that IU as an institution has failed to demonstrate successful student achievement.

Projections/Trend Data

Student achievement in the form of graduation rates and employment rates are a primary measure as to whether a school is successful in meeting its mission and program objectives. To date, IU has not demonstrated student achievement to the level required by accrediting standards. Moreover, the Commission found that school's projections and trend data show that the school's current efforts will not achieve minimum student achievement benchmarks for years.

The Commission directed IU to provide "trend data" regarding student achievement in order to formulate an understanding of the school's progress toward reporting acceptable rates of graduation and employment. First, the school was asked to provide an ACCSC Retention Chart for each program offered. The purpose of the Retention Chart is to report how many students who started the program during a defined period (and are available for retention) have remained in school. Because the reporting period draws on more current data than ACCSC's Graduation and Employment Chart, students in the cohort have varying percentages of the program remaining to be completed. The Commission found that the retention rates are so low for nine programs that it appears the school will report unacceptable rates of student graduation minimally over the next two to three Annual Report years. In addition, the Commission noted that three new programs are predicted to have unacceptable rates of student graduation by the time they are first reportable using the Graduation and Employment Chart formula, adding to the number of programs at the school that are failing to demonstrate successful student achievement.

Second, the school was asked to provide a list of graduates in each program over the most recent six months, and report the graduates' employment status. As with the Retention Chart, this provides a snapshot of student success over a defined period; however, it is possible that more graduates in this cohort will yet achieve the employment objectives of the program and increase the employment rate. Although this data can indicate whether employment rates will likely meet ACCSC's minimum acceptable rates, where fewer than 70% have achieved the employment objectives, it is difficult to predict whether the school's efforts are likely to make sufficient improvement by the time the data is reportable via the Graduation and Employment Chart formula. The school has the burden of demonstrating compliance with the Commission's accreditation standards and unverified predictions do not rise to the level of proof.

Accounting-DE (BS)

The program was approved in March 2013 at the former branch (072309). IU first reported student achievement outcomes for this program with the 2018 Annual Report and has reported below benchmark rates of student graduation in each subsequent Annual Report. Due to the history of low outcomes, the Commission directed the school to cap the program's enrollment at the June 30, 2019 level of enrollment as part of the July 21, 2020 Continued Probation Order.

The reporting period for retention data is September 2018 to July 2020 for this 36-month program and is presented on two Retention Charts. The first chart shows that the school has retained only 64 of 216 students that started between September 2018 and August 2019 for a retention rate of 30%. Although the students have between 24% and 55% of the program yet to complete, the projected graduation rate for this cohort, reportable on the 2024 Annual Report, is already below the graduation rate benchmark of 40%.

Business-DE (AAS) (formerly Business Management & Accounting)

This program was approved in March 2013 at the former branch (072309). The school first reported student achievement outcomes for this program with the 2016 Annual Report and has reported below-benchmark rates of student graduation in each subsequent Annual Report. In addition, the school reported below-benchmark rates of graduate employment in the 2017, 2018, and 2019 Annual Reports as well as the December 2020 report. Due to the persistent history of low outcomes, the Commission directed the school to cease enrollment in this program as part of the May 2, 2019 Probation Order.

IU submitted a Retention Chart for the Business-DE (AAS) program, based on starts from the period September 2019 to October 2020. The chart shows the school retained 69 of 99 students that started, for a retention rate of 70%; however, most students have more than half of the program to complete.

With regard to more contemporaneous employment rates, the school listed 351 graduates in the last six months but only 29% (107) are reported as employed in field. The Commission calculated that an additional 123 graduates must obtain employment in the field of training in order for the percentage to increase to at least 70%.

Business Administration-DE (BS)

This program has been approved since March 2013 at the former branch (072309). IU first reported student achievement outcomes for this program with the 2016 Annual Report and has reported below benchmark rates of student graduation in each subsequent Annual Report (with the exception of 2017, in which there were no starts for the reporting period). Again, due to the history of low student achievement outcomes, the Commission directed the school to cap the program's enrollment at the June 30, 2019 level of enrollment as part of the July 21, 2020 Continued Probation Order.

The reporting period for retention data is September 2018 to July 2020 for this 36-month program and is presented on two Retention Charts. The first chart shows that the school retained only 233 of 841 students that started between September 2018 and August 2019 for a retention rate of 28%. Although the students have between 24% and 55% of the program yet to complete, the projected graduation rate for this cohort, reportable on the 2024 Annual Report, is already below the benchmark of 40%.

Business Administration (BS)

This program has been approved at the main school since November 2002. IU reported below benchmark rates of graduation with the 2018 and 2020 Annual Reports, and the December 2020 report. The reporting period for retention data is September 2018 to July 2020 for this 36-month program and is presented on two Retention Charts. The first chart shows that the school retained only 6 of 16 students that started between September 2018 and August 2019, for a retention rate of 38%. Therefore, the projected graduation rate for this cohort, reportable on the 2024 Annual Report, will be below the benchmark of 40%.

Cybersecurity & Networking (BS) (formerly Networking and Information Systems Security)

This program has been approved at the main school since June 2013. The school reported the first reported enrollments as of the 2018 Annual Report, so the 36-month program will not be reportable until the 2023 Annual Report. The school provided a Retention Chart for the program with the 2020 Annual Report, which shows the school has retained 5 of 8 students that started between April 2018 and March 2019 for a retention rate of 63%.

Cybersecurity & Networking-DE (BS) (formerly Networking and Information Systems Security)

This program has been approved since June 2013 at the former branch (072309). IU reported the first enrollments as of the 2017 Annual Report, so the 36-month program will not be reportable until the 2022 Annual Report. The school provided a Retention Chart for the program with the 2020 Annual Report, which shows the school has retained only 101 of 475 students that started between April 2018 and March 2019 for a retention rate of 21%. Therefore, by the time the program is reportable in 2022, the graduation rate will already be unacceptable under ACCSC's standards.

Graphic Arts-DE (BS)

This program has been approved since March 2013 at the former branch (072309). IU first reported student achievement outcomes for this program with the 2018 Annual Report and has reported below benchmark rates of student graduation and employment in each subsequent Annual Report.

The reporting period for retention data is September 2018 to July 2020 for this 36-month program and is presented on two Retention Charts. The first chart shows that the school retained only 153 of the 633 students available for retention, for a retention rate of 24%. Therefore, the projected graduation rate for this cohort, reportable on the 2024 Annual Report, will be below the benchmark of 40%.

Health Services Management-DE (BS)

This program has been approved since July 2010 at the former branch (072309). IU reported unacceptable graduation rates in the 2019 and 2020 Annual Reports, as well as the December 2020 report. The school also reported unacceptable employment rates in the program with the 2018, 2019, and 2020 Annual Reports, as well as the December 2020 report. Due to the history of low student achievement outcomes, the Commission directed the school to cap the program's enrollment at the June 30, 2019 level of enrollment as part of the July 21, 2020 Continued Probation Order.

The reporting period for retention data is September 2018 to July 2020 for this 36-month program and is presented on two Retention Charts. The first Retention Chart, based on starts from the period September 2018 to August 2019, shows the school retained only 581 of the 2024 students available for retention, for a retention rate of 29%. Therefore, the projected graduation rate for this cohort, reportable on the 2024 Annual Report, will be below the benchmark of 40%.

Information Systems-DE (MS)

This program has been approved since March 2013 at the former branch (072309). Due to the persistent history of low outcomes, the Commission directed the school to cap the program's enrollment at the June 30, 2019 level of enrollment as part of the July 21, 2020 Continued Probation Order. As of the 2020 Annual Report, IU reported acceptable rates of student graduation and employment; however, the December 2020 report shows an employment rate of 63%. The school provided a Retention Chart for the Information Systems-DE (MS) program. Based on starts from January 2020 to October 2020, the school retained 17 of 19 students available for retention, for a retention rate of 89%.

The school reported that only 1 of the 11 graduates (9%) within the last six months have obtained employment in the field of training. The Commission calculated that an additional 7 graduates must obtain employment in the field of training in order for the percentage to increase to at least 70%.

Master of Business Administration-DE (MBA)

This program has been approved since July 2010 at the former branch (072309). IU reported unacceptable employment rates over the last five years. Due to the history of low student achievement outcomes, the Commission directed the school to cease enrollment in this program as part of the May 2, 2019 Probation Order. The school reported that 16 of the 25 graduates (64%) within the last six months have obtained employment in the field of training. The Commission calculated that an additional 2 graduates must obtain employment in the field of training in order for the percentage to increase to at least 70%.

Medical Assisting (AOS) (formerly Medical Specialties)

This program has been approved at the main school since November 2002. IU reported unacceptable rates of student graduation from this program in the 2018, 2019, and 2020 Annual Reports, as well as the December 2020 report. The school provided a Retention Chart for the Medical Assisting (AOS) program. Based on starts from October 2019 to October 2020, the school retained 9 of 11 students available for retention, for a retention rate of 89%. The school reported that 9 of the 10 graduates (90%) within the last six months have obtained employment in the field of training.

Medical Assisting-DE (AOS) (formerly Medical Specialties)

This program has been approved since September 2011 at the former branch (072309). The school reported below benchmark rates of graduation for the five most recent Annual Reports (2016-2020) and the December 2020 report. In addition, the school reported below benchmark employment rates for the four most recent Annual Reports (2017-2020). Due to the history of low student achievement outcomes, the Commission directed the school to cap the program's enrollment at the June 30, 2019 level of enrollment as part of the July 21, 2020 Continued Probation Order.

IU submitted a Retention Chart for the Medical Assisting-DE (AOS) program, based on starts from the period between October 2019 and October 2020. The Retention Chart shows an overall retention rate of 73%; however, the chart also shows that 80% of the students are primarily in the first half of the program.

Software and Mobile Application Development (BS)

This program has been approved since June 2013 at the main campus. IU first reported enrollments in this program as of July 2018 (on the 2019 Annual Report), so the 36-month program will not be reportable until the 2023 Annual Report. The school provided a Retention Chart for the program with the 2020 Annual Report, which shows the school has retained none of the 7 students (0%) that started between April 2018 and March 2019. Therefore, the projected graduation rate for this program already does not meet ACCSC's acceptable minimum.

Software and Mobile Applications-DE (BS)

This program was approved June 2013 at the former branch (072309). IU first reported enrollments in this program as of July 2018 (on the 2019 Annual Report), so the 36-month program will not be reportable until the 2023 Annual Report. The school provided a Retention Chart for the program with the 2020 Annual Report, which shows the school has retained only 51 of 353 students that started between April 2018 and March 2019 for a retention rate of 14%. Therefore, the projected graduation rate for this program already does not meet ACCSC's acceptable minimum.

Web Design and Development – DE (BS)

This program was approved March 2013 at the former branch (072309). The school reported below benchmark rates of student graduation for the three most recent Annual Reports (2018-2020) as well as the December 2020 report. Due to the history of low student achievement outcomes, the Commission directed the school to cap the program's enrollment at the June 30, 2019 level of enrollment as part of the July 21, 2020 Continued Probation Order.

The reporting period for retention data is September 2018 to July 2020 for this 36-month program and is presented on two Retention Charts. The first Retention Chart, based on starts from the period September 2018 to August 2019, shows the school retained only 13 of the 107 students available for retention, for a retention rate of 12%. Therefore, the projected graduation rate for this cohort, reportable on the 2024 Annual Report, will be below the benchmark of 40%.

Overall, the Commission found that the trend data shows that student achievement rates will not improve significantly in the next two years. The Commission's finding in this regard is supported by information provided in the school's response. As part of the *Graduation and Employment Rate Action Plans* (p.4) for the online programs, the school presented a "conservative forecast of the aggregate success of all initiatives" expressed in projected graduation rates by year. As stated in the response,

With these ten initiatives it is reasonable to assume, based upon ongoing assessment of results, that some initiative's results will be cannibalized by other initiative's results. To this end, the University's forecasts of the aggregate success of all initiatives is conservative. However, as a stress-test, or weakest-case scenario, let's assume that: (1) the aggregate impact only ends up being two thirds (66%) of the minimum range forecasted in the table above, and that (2) only a limited part of the impact will affect 2020 new enrollments, and that (3) the bulk of the impact will be on 2021 enrollments. Under this (highly unlikely) weakest-case scenario, the data is still forecasting that all programs would achieve graduation rates benchmarks between 2024 and 2026.

The Commission determined that waiting an additional 3-5 years for the school and its programs to achieve benchmark students achievement rates is simply not acceptable.

The following table represents the projections from the response:

Program (Credential)	2021	2022	2023	2024	2025	2026
Business-DE (AAS)	21%	24%	33%	45%		
Medical Assisting (AOS)	40%					
Medical Assisting-DE (AOS)	26%	25%	34%	46%		
Accounting-DE (BS)	22%	24%	27%	27%	36%	50%
Business Administration (BS)	47%					
Business Administration-DE (BS)	27%	25%	26%	26%	35%	49%
Graphic Arts-DE (BS)	28%	28%	22%	25%	34%	48%
Health Services Management-DE (BS)	18%	19%	20%	22%	31%	44%
Web Design and Development-DE (BS)	15%	10%	13%	20%	29%	43%
Information Systems-DE (MS)	No projections provided					
Master of Business Administration-DE (MBA)	No projections provided					

IU projected that associate degree programs will take four years to achieve minimum benchmarks (2024 Annual Report) and baccalaureate programs are expected to take six years to achieve minimum benchmarks (2026 Annual Report). The Commission noted that the pattern shows only the potential for incremental improvement (single digit percentage points) over the next three to five years and would require a marked increase to an average of 13 percentage point improvement in the year where the program attains benchmark. If IU has underestimated the timeline for improvement, it will take even longer for the programs to demonstrate compliance with acceptable student achievement benchmarks.

The Commission recognized that these projections are based on estimates, but in the context of retention data, IU is estimating that it will take years of sustained effort to demonstrate compliance with accrediting standards and student achievement benchmarks. Based on the length of time the Commission has already afforded the school to make improvements or take programmatic actions, the Commission cannot continue to defer a decision regarding the viability of the school's operations based on projected student achievement rates. Further, IU has not given the Commission, and the record does not reflect any reason to extend the maximum time any further.

Assessment/Plan

In recognition of the amount of improvement required for IU to meet even the minimum requirements for acceptable student achievement, the Commission made the following statement in the July 21, 2020 Continued Probation Order:

The Commission is concerned about the magnitude of improvement required to demonstrate compliance with accrediting standards, in context of the schools' maximum timeframe to remain on Probation. Decisive action is required on the part of the school to demonstrate its students are achieving the outcomes of the programs at an acceptable rate.

The Commission directed IU to submit the school's plan for improving student achievement rates and demonstrating compliance with accrediting standards. The school provided a "plan" which consists of a 73-page description of initiatives for the online programs, plus narratives regarding the following programs: Business Administration (BS), Medical Assisting (AOS), and Surgical Technician (AOS). The plan

enumerates the following as factors affecting graduation rates: Life Issues, Course Scheduling, Time Management, Technological Challenges, and Student Engagement. Since the original assessment, the school has also determined that Readiness at Admission is another factor. The plan describes the variety of strategies the school has used or is planning to use to overcome these six factors.

In addition, the plan enumerates the following as factors affecting employment rates: understaffed career services department, lack of early engagement with students, insufficient development of employment opportunities, and failure to emphasize the need to build professional work experience and skills while in school. Since the original assessment, the school has also determined that the inability to contact students and graduate unresponsiveness; graduate expectations and levels of preparedness, and the COVID-19 Global Pandemic are additional factors affecting employment rates. The plan describes the variety of strategies the school has used or is planning to use to overcome these six factors.

The Commission found the plan, although lengthy, does not account for the persistent and pervasive lack of acceptable student achievement and the short timeframe in which to achieve compliance with ACCSC's minimum requirements. The Commission found that the assessment presumes the viability of programs that have failed to serve students over many years, but does not demonstrate that the school has designed and delivered programs that can lead to students' successful attainment of knowledge, skills, and vocational objectives.

The Commission, in consideration of the stark contrast between student achievement rates in the school's programs, as part of the July 21, 2020 Continued Probation Order, asked the fundamental question as to why the policies and procedures that result in student success in four of the school's programs fail to produce success in the other programs? In response, the school provided reasons that the Nursing Education and Surgical Technologist residential programs and the Business-DE (Diploma), Nurse Education-DE (MS) Nursing Administration-DE (MS), and Respiratory Care -DE (BS) programs report higher rates of successful student achievement, as follows:

- The successful programs generally have very specific and well-established career paths.
- Applicants who are interested in successful programs usually have a better understanding of what their career entails and begin the admissions process with a higher degree of passion and commitment to pursuing the well-defined career paths resulting from these programs.
- The successful programs are extremely hands-on, with a large portion of the program conducted in lab settings, which helps to keep the student more engaged and motivated to stay in school.
- The successful programs, due primarily to post-program licensure and/or certification requirements, have additional admissions requirements. The additional, program-specific, admissions requirements likely work to screen out applicants who might have later lacked the commitment to graduate.
- Additionally, both the Nursing and Respiratory Care programs are specifically designed for students who are already working in-field.
- With respect to the Business diploma, the distinguishing factor is the length of the program compared to other degree-level programs. The Business diploma program is a very short program that students can transfer into if they do not want to complete the associate's level Business degree.

The school concluded that:

...none of these distinguishing program characteristics are applicable or readily transferable to the other programs offered by IU. It is CEHE's assessment that these unique program characteristics, as opposed to system-wide programmatic policies and procedures, are the primary factor contributing to the graduation success in these programs.

The Commission is not persuaded by the school's claim that there is no application from these assessments. Having clear alignment between educational objectives and specific career paths is part of a healthy design process for every program. Implementing more rigorous admissions criteria that better contribute to an informed judgment as to an applicant's ability to achieve the program's objectives is an option available for any program, and in fact, is being considered by the school at this time. Moreover, the school can choose to design a curriculum with activities in all modalities attuned to the objectives, content, and the delivery method of the program.

Overall, the Commission was not persuaded by the information provided by IU, and found that the school failed to demonstrate that it can achieve minimum levels of acceptable student achievement within the maximum time frame. Indeed, the preponderance of evidence would suggest that IU cannot demonstrate compliance with the standard at all. The Commission found that the strategies outlined in the most recent plan appear to be a continuation or variation of plans that the school has previously implemented, and which have not resulted in sufficient improvement in the area of student achievement. As documented extensively in the record, the Commission has consistently found that IU failed to demonstrate successful student achievement, and to date, school's strategies have not proven to be effective in identifying and implementing the kind of systemic, sustained improvements that are needed to attain and maintain compliance with ACCSC's standards in the area of student achievement.

Based on the school's history of non-compliance with ACCSC's student achievement standards, the lack of improvement over an extended period, and the projected length of time that the school will still be out of compliance with standards, the Commission has acted to withdraw the accreditation of IU and to remove the school and its branch campuses from the list of ACCSC-accredited schools.

Teach-Out Plan

Pursuant to federal law, an accrediting agency recognized by the U.S. Department of Education must require a teach-out plan from an institution subject to an adverse accreditation decision to withdraw accreditation. Therefore, in accordance with *Section IV (1)(F)(1)(c) Rules of Process and Procedure, Standards of Accreditation* the Commission requires IU to submit a completed ACCSC Institutional Teach-Out Plan Approval Form.⁶ The information provided must demonstrate how, in the face of possible consequences of the withdrawal of accreditation, IU will ensure the opportunity for students to complete their program of study either by IU or through an agreement with an/other accredited institution(s) approved to offer a comparable program. The Institutional Teach-Out Plan Approval Form should be submitted **on or before May 24, 2021.**

⁶ The ACCSC Institutional Teach-Out Plan Approval Form is available online at <http://www.accsc.org/Content/FormsAndReports/FormsAndReports.asp>

Appeal and Reapplication Process and Procedure

IU may opt to appeal the Commission's decision to withdraw accreditation or may elect to reapply for accreditation. Details regarding the reapplication and appeal procedures are outlined in the ACCSC *Rules of Process and Procedures, Standards of Accreditation*.

- If IU elects to appeal this decision, the school must sign and return the enclosed Letter of Intent to Appeal a Commission Decision, along with the Appeal Expense Fee of \$18,000.00, **on or before May 3, 2021**.
- If IU elects to appeal this decision, the school's Application for Appeal of a Commission Decision and Grounds for Appeal must be submitted **on or before May 24, 2021**.
- If IU elects not to appeal this decision, the Commission's decision will become effective **May 3, 2021**. The school may submit comments **on or before May 3, 2021** in accordance with the enclosed Public Comment Disclosure Form. Comments submitted by the school will accompany any public disclosure of a final Commission action pursuant to *Section X (D)(4), Rules of Process and Procedure, Standards of Accreditation*.
- In accordance with *Section VII (N)(3) Rules of Process and Procedure, Standards of Accreditation*, the school may reapply no sooner than nine months from the date on which the denial of accreditation becomes effective.

For additional information regarding the Commission's decision, please contact me directly at

Sincerely,

Executive Director

Encls: Appendix I
Appendix II
Letter of Intent to Appeal a Commission Decision
ACCSC Standing Appeals Commission Members
Public Comment Disclosure Form

APPENDIX I ACCREDITATION ACTIONS CONSIDERED

School	Accreditation Actions Considered	Materials Considered
<p>Independence University (#M070581)</p> <p>West Haven, Utah</p>	<ul style="list-style-type: none"> • Probation/Renewal of Accreditation/ Degree Program • 2018 Annual Report Rates 	<ul style="list-style-type: none"> • July 21, 2020 System-wide Probation Order and the school's response • October 28, 2019 System-wide Probation Order and the school's response • May 2, 2019 System-wide Probation Order and the school's response • September 6, 2018 System-wide Probation Order and the school's response • November 20, 2018 ACCSC letter and the school's response
<p>Stevens-Henager College (#B070583)</p> <p>Murray, Utah</p>	<ul style="list-style-type: none"> • Probation/Renewal of Accreditation/ Degree Program • 2018 Annual Report Rates 	<ul style="list-style-type: none"> • October 28, 2019 System-wide Probation Order and the school's response • May 2, 2019 System-wide Probation Order and the school's response • September 6, 2018 System-wide Probation Order and the school's response • November 20, 2018 ACCSC letter and the school's response
<p>Stevens-Henager College (#B070764)</p> <p>Boise, Idaho</p>	<ul style="list-style-type: none"> • Probation/ Renewal of Accreditation • 2018 Annual Report Rates 	<ul style="list-style-type: none"> • October 28, 2019 System-wide Probation Order and the school's response • May 2, 2019 System-wide Probation Order and the school's response • September 6, 2018 System-wide Probation Order and the school's response • November 20, 2018 ACCSC letter and the school's response



Accrediting Commission of Career Schools and Colleges

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APPENDIX II HISTORY/COMPLIANCE HISTORY

- 1891: The school is founded in Ogden, Utah in September 1891 by [REDACTED] as the Intermountain Business College. It was known over the following 68 years as Smithsonian Business College, Meonch University of Business, and Ogden Business College.
- 1959: The name of the school became Stevens-Henager College ("SHC-Ogden).
- 1978: SHC-Ogden established a branch in Provo, Utah in June 1978.
- 1992: Stevens-Henager College, Inc., a corporation owned 100 percent by [REDACTED] purchased SHC-Ogden and the branch in Provo, Utah.
- 1999: SHC-Ogden established a branch in Murray, Utah in August 1999.
- 2000: The branch in Murray established a satellite location in Bountiful, Utah in September 2000.
- 2001: SHC-Ogden established a branch in Providence, Utah in October.
- 2002: SHC-Ogden and the three branches received an initial grant of accreditation for a period of five years from ACCSC in November 2002. At that time, the Stevens-Henager Colleges were owned by [REDACTED], who also owned CollegeAmerica, Inc. operating schools in Denver, Fort Collins, and Colorado Springs (accredited by ACCSC), and a school in Flagstaff, Arizona (accredited by the Accrediting Bureau for Health Education Schools).
- 2003: California College of San Diego ("CCSD") acquired in May 2003.
- 2005: CollegeAmerica in Denver, Colorado established a (third) branch in Cheyenne, Wyoming.
- 2005: At the November 2005 meeting, ACCSC granted CollegeAmerica in Flagstaff, Arizona (M070742) and its branch in Phoenix (B070743) an initial grant of accreditation.
- 2006: SHC-Ogden established a (fourth) branch in Boise, Idaho in October.
- 2008: At the August 2008 meeting, the Commission considered SHC-Ogden's Application for Renewal of Accreditation and deferred final action due to questions regarding appropriate education administration of the graduate level programs, student achievement outcomes for the Medical Specialties (AOS) program, Program Advisory Committees, management of the learning resource system, faculty qualifications, and advertising.
- 2009: At the February 2009 meeting, the Commission considered the previous decision to defer final action and granted the school renewal of accreditation for five years going forward from November 2007.
- 2010: SHC-Ogden established a satellite in Layton, Utah in February 2010.
- 2010: [REDACTED] becomes CEO of CollegeAmerica Services, Inc. (the corporation responsible for overseeing the CollegeAmerica/Stevens-Henager/California College of San Diego schools) in May (February 16, 2021, copy of the Appellant's Opening Brief).
- 2010: SHC-Ogden established a (fifth) branch: Independence University ("IU") located in Salt Lake City, Utah in July 2010.
- 2011: At the February meeting, the Commission approved the school's request to submit a second branch application within the same 12-month period.

- 2011: CollegeAmerica in Flagstaff established a (second) branch (Stevens-Henager College) in Boise, Idaho (B072362) in March 2011.
- 2011: CCSD opened a satellite location in National City in June 2011.
- 2011: SHC-Ogden established a (sixth) branch in St. George, Utah in July 2011.
- 2011: CCSD established a branch in San Marcos, California (B072374) in November 2011.
- 2012: On April 20, 2012, ACCSC acknowledged receipt of a notification from CollegeAmerica Services, Inc. regarding the Good Neighbor Initiative. The letter directed CollegeAmerica Services, Inc. to provide additional information to verify the school is operating in compliance with accrediting standards.
- 2012: At the June 2012 meeting, the Commission considered CollegeAmerica Services, Inc.'s response regarding the school's "Good Neighbor Initiative," in context of anonymous complaints dated May 2, May 3, May 18, May 20, and May 31, 2012 and voted to process the complaints, directing the schools to provide additional information regarding compliance with accrediting standards in 13 areas..
- 2012: On August 10, 2012 ACCSC sent a letter to CollegeAmerica-Denver, requesting documentation of compliance with regard to a notice from the Colorado Board of Private Occupational Schools ("CBPOS") disclosing that CBPOS voted to file a "Notice of Charges" and to proceed with an "administrative hearing seeking revocation of the school's certificate of approval to operate in the state of Colorado; as well as four other anonymous complaints with overlapping concerns, dated May 18, 2012; May 24, 2012; June 19, 2012; and July 12, 2012.
- 2012: At the September 2012 meeting, the Commission considered five complaints against CollegeAmerica Services, Inc. and voted to defer final action for additional information on the school's response to anonymous complaints dated May 2, 2012, May 3, May 18, May 20, and May 31, 2012. Specifically, the Commission directed the CollegeAmerica to provide additional information regarding: 1) the payment of cash or other consideration to any prospective student as an inducement to enroll; 2) the reliability of statements made by CollegeAmerica Services, Inc.; 3) the availability of all required courses (e.g., externships); 4) the awarding and application of scholarship funds; 5) the focus of recruitment efforts; and 6) past records of integrity of the owners, managers, and administrative employees.
- 2012: At the November 2012 meeting, the Commission considered SHC-Ogden's Application for Renewal of Accreditation and voted to defer final action due to questions regarding student satisfaction and branch oversight.
- 2012: On December 31, Center for Excellence in Higher Education ("CEHE") merged with California College of San Diego, Inc., CollegeAmerica Denver, Inc., Stevens-Henager College, Inc., and CollegeAmerica Arizona, Inc. CEHE, a non-profit 501 (c)(3) corporation, is the surviving corporation governed by an eleven-member Board of Directors. At this point, CEHE owned and operated 16 schools under four main campuses:
- California College of San Diego (001073) with one branch;
 - CollegeAmerica Denver (001507) with three branches;
 - Stevens-Henager College in West Haven (070581) with six branches;
 - CollegeAmerica in Flagstaff (070243) with two branches

- 2013: At the February 2013 meeting, the Commission considered documentation related to the State of Colorado's subpoena that overlaps with the Commission's concerns regarding CollegeAmerica's compliance with ACCSC's standards. In addition, the Commission reviewed the record regarding the Good Neighbor Initiative and externships. The Commission voted to defer action and to direct CollegeAmerica Services, Inc. to submit additional information to demonstrate the schools' compliance with accrediting standards in sixteen specific areas.
- 2013: At the May 2013 meeting, the Commission considered to the applications for renewal of accreditation, applications, substantive change applications, complaint notices, and other actions for the ACCSC-accredited schools in the CEHE system of schools. The Commission expressed concern as to whether there are systemic issues with regard to recruitment, admissions, student achievement, advertising, state licensure, and cohort default rates throughout the CEHE schools under consideration and voted to direct the CEHE system of schools to show cause as to why accreditation should not be withdrawn.
- 2013: At the November meeting, the Commission vacated the system-wide show cause order, but continued the show cause order for CollegeAmerica-Denver. In addition, the Commission determined that additional review of CEHE's advertising was warranted to ensure that CEHE continued to adhere to accrediting standards. The Commission voted to place the system of schools on Advertising Reporting. The Commission acted to renew SHC-Ogden's accreditation for four years going forward from November 2012 with Stipulations (admissions documentation) and Reporting (student achievement outcomes).
- 2014: By letter dated May 2, 2014 ACCSC directed CEHE to provide information regarding a complaint filed by the U.S. Department of Justice under the federal False Claims Act relating to recruiting tactics.
- 2014: At the June 2014 meeting, the Commission considered CEHE's response regarding the complaint filed by the U.S. Department of Justice under the federal False Claims Act against CEHE, its affiliated schools, and Chairman [REDACTED] and voted to place the system of schools on Litigation Reporting.
- 2014: At the December 2014 meeting, the Commission considered the Outcomes Report submitted by SHC-Ogden and voted to continue the school on Outcomes Reporting.
- 2015: By letter dated March 25, 2015 ACCSC directed CEHE to provide information regarding a complaint filed by the State of Colorado against CEHE, its affiliated schools, The [REDACTED] Living Trust, [REDACTED], Chairman, and [REDACTED], Chief Executive Officer.
- 2015: At the May 2015 meeting, the Commission voted to continue CEHE on Advertising Reporting given ongoing questions regarding the school's advertising practices.
- 2015: At the May 2015 meeting, the Commission voted to continue CEHE on Litigation Reporting given the open status of the complaint filed by the U.S. Department of Justice under the federal False Claims Act and the complaint filed by the State of Colorado.
- 2015: At the November 2015 meeting, the Commission considered the Outcomes Report submitted by SHC-Ogden and voted to accept the report with two stipulations regarding how the school determines that employment outcomes align with employment objectives.
- 2016: At the February 2016 meeting, the Advertising and Litigation Reporting actions were merged because of the nature of the advertising and the complaints from the U.S. Department of Justice and the State of Colorado. The Commission voted to continue CEHE on Advertising / Litigation

Reporting given the open status of the complaint filed by the U.S. Department of Justice under the federal False Claims Act against CEHE, its affiliate schools, and Chairman [REDACTED]

- 2016: By letter dated July 14, 2016, ACCSC directed CEHE to provide additional information regarding the May 11, 2016 notice from the U.S. Department of Education (“the Department”) to the CEHE located in Salt Lake City, Utah and its affiliated schools. The notice discloses that CEHE’s non-profit status application remains pending and as such, CEHE continues to be subject to all federal student aid requirements applicable to proprietary institutions of higher education. The notice also states, “[a] review of the web pages for some of your institutions suggests that CEHE is not providing the required GE disclosures for its programs, and this must be addressed immediately.”
- 2016: At the November 2016 meeting, the Commission considered two complaints regarding CEHE and its affiliated schools. Upon review of the complaints, the Commission voted to process the complaints in accordance with *Section VI, Rules of Process and Procedure, Standards of Accreditation*. The Commission received two complaints dated September 15, 2016 and October 13, 2016 alleging that CEHE is aggressively recruiting displaced ITT students in an “unethical” manner. Also, the complaints allege that CEHE’s recruiters are not fully and accurately disclosing CEHE’s accredited status and policies and procedures pertaining to CEHE’s transfer of credit practices. In reviewing the complaints, the Commission also reviewed CEHE websites and found that CEHE is in fact actively and explicitly pursuing displaced ITT students as well as other students from schools that have closed precipitously. The Commission determined that while these complaints are being reviewed by ACCSC, CEHE must cease and desist from any direct recruitment of displaced ITT students or from any other school that may have recently closed. In addition, given the specific allegations in the complaints regarding the disclosure of the Warning status for the CollegeAmerica schools in Colorado, each CollegeAmerica campus must immediately inform all current of the schools’ Warning status with ACCSC as well as informing on a continuing basis all prospective students.
- 2016: At the November 2016 meeting, the Commission voted to continue CEHE on Litigation and Advertising Report given the open status of the legal matters (refer to letter dated January 26, 2017).
- 2017: CollegeAmerica in Cheyenne, Wyoming closed on March 19, 2017
- 2017: At the August 2017 meeting, considered the response to the April 27, 2017 Warning Order issued to CollegeAmerica located in Denver, Colorado (School M001507) and its branches in Fort Collins (School B070544) and Colorado Springs (B070623). Included as part of the Warning letter, the Commission directed CollegeAmerica in Denver and CollegeAmerica in Fort Collins to undergo a total re-evaluation and directed CollegeAmerica in Denver to cease enrollment and teach out all remaining baccalaureate degree programs. Upon review of the record, the Commission continued the Warning Order due to ongoing non-compliance in the area of student achievement outcomes (refer to letter dated February 12, 2018).
- 2018: At the May 2018 and September 2018 meetings, the Commission considered the renewal of accreditation applications, substantive change applications, and supplemental data to the 2017 Annual Report for nine ACCSC-accredited schools in the Center for Excellence in Higher Education (“CEHE”) system of schools. At this junction, the Commission questioned whether the CEHE system of schools is misaligned with ACCSC’s mission and purpose to an irremediable extent. Therefore, the Commission voted to place the CEHE system of schools on Probation. The areas in question included in the areas of student achievement, reporting representations to prospective students on the enrollment agreement, advertising in a false/misleading manner, using scholarships and tuition discounts as an inducement to enroll, failure to meet minimums regarding

student achievement of acceptable graduation and employment rates, documentation of admissions requirements, cancellation and refund practices, validity of student achievement data reported to the Commission, achievement of objectives of the programs, employment classification, documentation of employment records, transfers of credit, accurate transcripts, number of credit hours attempted per term, objectives and length of the Medical Specialties program, program title misaligned with objectives, instructional materials and equipment at CCSD, Program Advisory Committees, and continuity of management oversight at the CCSD-San Marcos campus.

- 2019: At the February 2019 meeting, the Commission considered the schools' responses and voted to continue the Probation Order. The schools had not demonstrated compliance with accrediting standards in the areas of student achievement, reporting student achievement data, employment classification, program titles and objectives, accurate representation to prospective students via the enrollment agreement, truthful advertising, admissions processes for distance education programs, processes and procedures pertaining to international students, transfers of credit, credit hours per term, publication of course sequencing, independent study, student attendance policies, adequate equipment at CCSD-San Diego, enrollment agreements at the CCSD-San Diego and San Marcos campuses, notification of material events, and the matters of litigation.
- 2019: ACCSC's letter of July 11, 2019, requesting additional information with regard to a notice that CEHE had received a Civil Investigative Demand ("CID") from the Consumer Finance Protection Bureau ("CFPB").
- 2019: CEHE notified ACCSC of the "Strategic Action with CEHE's Ground Campuses" on September 19, 2019. The notification states:
- Effective September 10, 2019, all of CEHE's onground campuses (Stevens-Henager College, CollegeAmerica, and California College San Diego), except for the Stevens-Henager College main campus in West Haven, UT, will suspend enrolling new students into campus-based onground programs.*
- 2019: At the May 2019 meeting, the Commission considered the previous decision to place the system of schools on Probation and the information provided by CEHE about the CID from the CFPB. At the September 2019 meeting, the Commission reconsidered its decision in context of the September 11, 2019 notification regarding the cessation of onground instruction. The Commission voted to continue the system of CEHE-affiliated schools on Probation, with a review of additional material regarding the transition of the schools from residential instruction to distance education delivery. The outstanding compliance issues included unacceptable graduation and employment rates, not reporting student achievement data in accordance with instructions, inaccurate representation to prospective students on enrollment agreements, insufficient admissions processes for distance education programs, unclear attendance policy and procedures, false/misleading advertising, insufficient documentation of independent study practices, inadequate instructional materials and equipment, and the open status of multiple agency/court actions against the school system.
- 2020: By letter dated March 17, 2020 ACCSC requested additional information with regard to a notice that CEHE had received a Notice and Cease and Desist Order, dated January 28, 2020 from the Colorado Division of Private Occupational Schools ("DPOS") regarding the content of CEHE's ACCSC-mandated probation notice. In a June 1, 2020 letter, CEHE notified ACCSC that the DPOS accepted CEHE's response and did not issue a notice of noncompliance and included a copy of DPOS's May 28, 2020 decision indicating that "... the Cease and Desist Order is moot, the Subpoena Duces Tecum was satisfied, and the response to the Notice of Noncompliance sufficient to persuade the Board that it need not issue a Notice of Charges nor pursue further action regarding

the allegations set forth therein.” The additional information was considered at the May 2020 meeting and ACCSC considered the matter closed.

2020: At the May 2020 Commission meeting, the Commission considered the previous decision to continue the system of schools on Probation and a Media Report received January 13, 2020 regarding IU located in Salt Lake City, Utah. Subsequent to the Commission’s May 2020 meeting, in a phone call with ACCSC staff on May 6, 2020 CEHE disclosed the potential closure of certain CEHE-affiliated campuses prior to the anticipated dates of graduation of all students. Based on that call, in a letter dated May 8, 2020 ACCSC requested corresponding updated information with regard to CEHE’s teach-out plan. In response, CEHE submitted revised ACCSC Institutional Teach-Out Plan Approval Forms dated May 28, 2020 on behalf of eight schools. In addition, at its June 2020 meeting, the Commission considered revised and updated Institutional Teach-out Plans for the eight schools, and a Request for a Waiver of an Accreditation Standard or Policy to permit CCSD to submit an Application for a Branch Re-Alignment while on Probation and to absorb CA-Phoenix as a branch campus for the purpose of completing the teach out of students.

Based on its review of the information in the record, the Commission took the following actions:

- Continued the system of CEHE-affiliated schools on Probation;¹
- Approved the teach-out plans for all thirteen schools in teach-out, subject to provisions outlined in the letter;
- Prohibited CEHE from enrolling new students or re-enrolling former students into the 13 schools in teach-out without obtaining the Commission’s permission;
- Approved the waiver request to allow CCSD to apply for a branch re-alignment in order to add CA-Phoenix as a branch campus for the purpose of completing the teach-out plan;
- Determine that the Business-DE (AAS) program and the Master of Business Administration (MBA) program will continue to be subject to the “cease enrollment” directive.
- Directed IU to cap enrollment at the level of the enrollment in the program as of June 30, 2019, as reported in the 2019 Annual Report: Accounting – DE (BS): 256; Business Administration (BS): 1456; Health Services Management (BS): 3466; Information Systems – DE (MS): 43; Medical Assisting – DE (AOS) [*formerly Medical Specialties*]: 2,524; and Web Design and Development (BS): 194.

2020: On September 13, 2020, the following locations closed:

- Stevens-Henager in Idaho Falls, Idaho
- Stevens-Henager College in Orem, Utah
- Stevens-Henager College in Logan, Utah
- Stevens-Henager College in St. George, Utah

¹ Please note that the compliance findings in this letter are focused on the only two schools planning to remain open and enrolling students, SHC-West Haven and IU. However, this does not mean that the Commission found that the other 13 schools have demonstrated compliance in all areas cited in previous actions. The entire system of schools remains on Probation. The Commission’s decision to not require specific response requirements for the thirteen schools in teach-out is for the sole purpose of focusing on and facilitating the successful teach out of current students. If any school seeks to remain open past the teach-out period, CEHE must inform the Commission as a means to allow the Commission to establish an appropriate application review protocol and process.

- CollegeAmerica in Denver, Colorado
- CollegeAmerica in Fort Collins, Colorado
- CollegeAmerica in Colorado Springs, Colorado

2020: On September 14, 2020 the Commission approved the Applications for a Branch Realignment Part I and Branch Realignment Part II for CollegeAmerica (“CA-Phoenix”) located Phoenix, Arizona submitted by California College of San Diego (“CCSD”) located in San Diego, California. The applications request permission to realign CA-Phoenix located at 9801 North Metro Parkway East, Phoenix, Arizona 85851 as a branch campus of CCSD.

2020: On October 12, CEHE completed consolidation of the SHC-Ogden and the branch IU into a single entity. All students transferred from the IU branch campus to the newly renamed main school Independence University (“IU-West Haven”).

2021: On January 17, 2021, CollegeAmerica in Flagstaff, Arizona closed .



Accrediting Commission of Career Schools and Colleges

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Arlington, Virginia 22201
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LETTER OF INTENT TO APPEAL A COMMISSION DECISION

To Be Submitted No Later Than May 3, 2021

██████████
Executive Director
ACCSC
2101 Wilson Boulevard, Suite #302
Arlington, Virginia 22201

Dear Dr. ██████████

This letter serves to provide notice that Independence University located in West Haven, Utah and its branch campuses Stevens-Henager located in Muray, Utah and Stevens-Henager loated in Boise, Idaho intend to appeal the recent decision of the Commission to withdraw the schools listed above accreditation and remove the schools from the list of ACCSC-accredited institutions. Attached is a check in the amount of \$18,000 as required by accreditation procedures. I understand that this fee is non-refundable.

I understand that the ACCSC Appeals Panel will meet to consider the appeal of the school and that I will receive final confirmation of the hearing at a later date. I have reviewed *Section VIII, Rules of Process and Procedure, Standards of Accreditation* pertaining to appeals and noted that I am entitled to a transcript of the proceedings and to have representatives, including legal counsel, present with advance notification to ACCSC.

I understand that it is the right of a school to appeal an adverse action taken by the Commission on the grounds that the decision was arbitrary, capricious, or otherwise in disregard of the criteria or procedures of the Commission, or not supported by substantial evidence in the record on which the Commission took the action (*Section VIII (B), Rules of Process and Procedures, Standards of Accreditation*). I understand that because the appeal must be based on evidence in the record at the time that the Commission took the adverse action, no new evidence may be submitted during the appeal process, other than information related to the financial solvency and condition of the school.

I understand it is the right of a school intending to appeal a Commission decision to indicate whether there is good cause as to why any member of the Commission's Standing Appeal Commission should not hear the appeal. I have reviewed the list of Standing Appeal Commission members and have included with this notice any objections to any member of the Standing Appeal Member with the reasons and cause why I believe a member should not hear the school's appeal. I understand the absence of a submission with this notice indicates my approval to allow any member of the Standing Appeal Commission to sit for the school's appeal.

I understand that the Application for Appeal of Commission Decision with the school's Grounds for Appeal are due to ACCSC **on or before May 24, 2021**, and I agree to submit that material on or before that date. I understand that failure to submit these required documents by the due date could prevent consideration of the school's appeal.

Signature

Date

Name/Title



Accrediting Commission of Career Schools and Colleges

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ACCSC Standing Appeals Commission Members

PANEL MEMBER	AFFILIATION	TERM ENDING
[REDACTED]	[REDACTED] School Member	2024
[REDACTED]	[REDACTED] School Member	2024
[REDACTED]	[REDACTED] School Member	2022
[REDACTED]	[REDACTED] Public Member	2024
[REDACTED]	[REDACTED] School Member	2022
[REDACTED]	[REDACTED] School Member	2023
[REDACTED]	[REDACTED] School Member	2024
[REDACTED]	[REDACTED] School Member	2022
[REDACTED]	[REDACTED] Public Member	2022
[REDACTED]	[REDACTED] Public Member	2024
[REDACTED]	[REDACTED] Public Member	2022
[REDACTED]	[REDACTED] Public Member/Academic	2024
[REDACTED]	[REDACTED] Public Member/Academic	2024
[REDACTED]	[REDACTED] School Member/Administrative	2024



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PUBLIC COMMENT DISCLOSURE FORM

To Be Submitted No Later Than May 3, 2021

██████████
Executive Director
ACCSC
2101 Wilson Boulevard, Suite #302
Arlington, Virginia 22201

RE: Independence University (School #M070581)
1890 South 1350 West
West Haven, Utah 84401

Dear Dr. ██████s:

I understand and agree that the Commission, pursuant to *Section X (D)(4), Rules of Process and Procedure, Standards of Accreditation*, will make public the reasons for the April 22, 2021 adverse accreditation decision together with any comments submitted by the school.

I understand and agree that the school is not obligated to submit public comments and acknowledge that the attached comments are provided voluntarily.

I understand and agree that the attached comments constitute Independence University's public comments on the adverse accreditation action and will be disseminated with the public notice of the Commission's decision including, but not limited to, posting to the ACCSC website (*Section X (D)(4), Rules of Process and Procedure, Standards of Accreditation*).

I understand and agree that the school's public comments must be in summary format and limited to two type written pages. I acknowledge that any comments which do not meet these requirements will not be disseminated or posted along with the summary of the reasons for the adverse accreditation decision.

I understand and agree that the Commission will release the adverse accreditation decision to the public pursuant to *Section X (D)(3), Rules of Process and Procedure, Standards of Accreditation* and that the school's written comments will not be added to this disclosure if this form and the comments are not submitted in the required format **on or before May 3, 2021**.

I understand and agree that the Commission has no responsibility for how the school's comments may be used once they are put in the public domain.

Signature

Date

Name/Title