



Accrediting Commission of Career Schools and Colleges

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[www.accsc.org](http://www.accsc.org)

December 13, 2017

**ELECTRONIC DELIVERY**

██████████  
Executive Director  
ATI College  
12440 Firestone Boulevard  
Norwalk, California 90650

*School #M070466*  
*Warning*

Dear ██████████

The Accrediting Commission of Career Schools and Colleges (“ACCSC” or “the Commission”) considered the following with regards to ATI College located in Norwalk, California:

- At the August 2017 meeting, the Commission considered its previous action to continue the school on Financial Reporting and voted to place the school on Warning with a subsequent review scheduled for ACCSC’s **March 2018** meeting.
- At the September 2017, meeting the Commission considered ATI College’s response to the Team Summary Report from the Renewal of Accreditation and Learning Resource System Report on-site evaluation conducted April 6-7, 2017. Based on the school’s Financial Report Warning status, the Commission determined to hold in abeyance the school’s Renewal of accreditation and Learning Resource System Report until ATI College’s Financial Report Warning status is resolved.
- At the November 2017, meeting the Commission considered the school’s Change of Ownership Report whereby the school proposed an exempt stock transaction transferring the ownership to the daughter of the current owner. Upon review of the information provided in the Change of Ownership Report, the Commission voted to approve the exempt stock transaction with the understanding that it would help to remedy the financial issues that are the basis for this Warning Order.

**History of the Commission’s Review:**

**August 2016 Review**

At the August 2016 meeting, the Commission considered the Application for a Satellite Location and the consolidated financial statements for the years ended December 31, 2015 (Audited) and 2014 (Unaudited) submitted by ATI College. Upon review of the financial information, the March 25, 2016 Team Summary Report, and the school’s response to that report, the Commission determined that ATI College met the requirements for the addition of the satellite location located in Los Angeles, California with a Stipulation and Learning Resource Center and Financial Reporting.

**March 2017 Review**

At the March 2017 meeting, the Commission considered its previous action to place ATI College on Financial Reporting. Upon review of the September 8, 2016 Financial Reporting Enclosure and the school’s response, the Commission voted to continue the school on Financial Reporting. ATI College was unable to demonstrate compliance with accrediting standards in financial structure and soundness.

**Current Review, Action, and Response Requirements:**

Based upon reviews in August, September, and November 2017, the Commission expressed concerns and requires the submission of additional information as set forth below.

**August 2017 Review**

ATI College must demonstrate that the financial structure of the school is sound, with resources sufficient for the proper operation of the school and the discharge of obligations to students (*Section I (C)(1), Substantive Standards, Standards of Accreditation*). [REDACTED]

[REDACTED]

- I [REDACTED]
- I [REDACTED]
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[REDACTED]

- I [REDACTED]  
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[REDACTED]

Based on the review of the financial information provided and SCUSOMA’s efforts to improve its financial position; current HCM2 status with the Department; and Show Cause with ACAOM, the Commission is gravely concerned regarding ATI College’s financial soundness and ability to continue to operate. As such, ATI College must demonstrate that the financial structure of the school is sound, with resources sufficient for the proper operation of the school and the discharge of obligations to its student while in compliance with all federal government requirements or face the withdrawal of the school’s accreditation (*Section I (C)(1), Substantive Standards, Standards of Accreditation*).

**September 2017 Review**

At the September 2017 meeting the Commission considered ATI College’s response to the Team Summary Report from the Renewal of Accreditation and the Learning Resource System Report

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<sup>1</sup> [REDACTED]

<sup>2</sup> On September 25, 2017, ACCSC received a Change of Ownership Report from ATI College.

considered at the on-site evaluation conducted April 6-7, 2017. Based the Warning Order for the financial concerns voted at the August 2017 meeting, the Commission determined to hold in abeyance the school's Renewal of Accreditation and final determination on the Learning Resource System Report until such time as the Warning Order is vacated.

**November 2017 Review and Action**

At the November 2017 meeting the Commission considered ATI College's Change of Ownership Report, whereby the school proposed a transfer of [REDACTED]

[REDACTED]

[REDACTED] The Commission will reconsider the Warning Order at the **March 2018** meeting.

[REDACTED]

■ [REDACTED]

2. [REDACTED]

■ [REDACTED]

■ [REDACTED]

**Warning Restrictions:**

Pursuant to *Section VII (K)(7), Rules of Process and Procedure, Standards of Accreditation*, the Commission will not consider substantive changes, a change of location/relocation, or additions (i.e., separate facilities, new programs) to a school or its separate facilities while the school is under a Warning.

**RESPONSE REQUIREMENTS:**

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

thus a school must supply the Commission with complete documentation of the school's compliance with accrediting standards.

ATI College must provide a response to the items expressed above that provides the information requested along with any additional information that the school believes supports a demonstration of compliance with accrediting standards.<sup>3</sup> If the school's response contains documentation that includes personal or confidential student or staff information that is not required for the Commission's review (e.g., social security numbers, dates of birth, etc.), please remove or redact that information.

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

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

The school's response must also include a signed certification attesting to the accuracy of the information and be received in the Commission's office **on or before February 15, 2018**. If a response and the certificate of attesting to the accuracy of the information is not received in the Commission's office **on or before February 15, 2018**, the Commission will consider further appropriate action.

For assistance with the password or for any other questions regarding the electronic submission requirements, please contact [REDACTED] or (703) 247-4532. Please note that any password requests to access College 360 must be made by the school director, or designated member of the school's management team, via e-mail.

For further assistance or additional information, please contact [REDACTED]

Sincerely,



Michale S. McComis, Ed.D.  
Executive Director

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<sup>3</sup> ACCSC has issued two modules of the **Blueprints for Success Series** – [Organizing an Effective Electronic Submission](#) and [Preparing a Comprehensive Response for Commission Consideration](#) – which provide a framework for submitting a well-documented, organized, electronic response for Commission consideration. ACCSC encourages the school to review these modules when formulating its response to this letter. More information is available in the [Resources section](#) at [www.accsc.org](http://www.accsc.org).