



April 13, 2022

Mr. Andres Bella, President
Academy of Chinese Culture and Health Sciences
1600 Broadway
Oakland, CA 94612-2168

*Sent via e-mail to: abella@acchs.edu
Sent via the Document Center at: cod.ed.gov*

Re: Missing Compliance and Financial Statements Audits
OPE ID: 03288300
FYE: December 31, 2019 (Unacceptable Submission)
December 31, 2020 (Missing Submission)

Dear Mr. Bella:

According to the Department of Education's (Department's) records, Academy of Chinese Culture and Health Sciences' (ACCHS') fiscal year ends on December 31st. Therefore, pursuant to 34 C.F.R. § 668.23(a)(4), ACCHS' compliance and financial statements audits, in accordance with the OMB Uniform Guidance, for its fiscal year ended (FYE) December 31, 2019 were due to the Department on or before September 30, 2020 – nine months after the end of the fiscal year. However, due to the COVID-19 pandemic, ACCHS was granted additional time to submit the audited reports, which were due no later than December 31, 2020. Nevertheless, the required audited reports were not submitted via eZ-Audit until January 27, 2021, and then resubmitted on January 27, 2022. However, the audited reports have been deemed incomplete and awaiting resubmission by ACCHS.

In addition, as of the date of this letter, the required FYE December 31, 2020 audited reports have not been submitted in eZ-Audit via ezaudit.ed.gov. This letter advises ACCHS that the missing audited reports submission constitutes a failure of financial responsibility under the Department's regulations.

Citation for failure to submit financial statements timely is a past performance violation under 34 C.F.R. § 668.174(a)(3), which results in, among other things, provisional certification, the posting of a letter of credit¹, and placement on a heightened cash monitoring payment method, for a minimum of five years. Further, 34 C.F.R. § 668.171(i) provides that an institution's failure to submit compliance and financial statement audits by the date and in the manner required under 34 C.F.R. § 668.23 may result in the Department initiating adverse action against the institution, including terminating or revoking the institution's program participation agreement. In addition, if the institution has an application pending for renewal of its certification, the Department may deny that application for continued participation.

¹ Public institutions are not subject to the letter of credit requirement.

Please note that additional administrative actions are pending against your institution based upon this issue. If ACCHS has evidence which demonstrates that in fact it submitted acceptable compliance and financial statements audits in a timely manner in eZ-Audit, ACCHS must submit that evidence within 7 days of receipt of this letter, following the instructions noted below, via the Partner Eligibility and Oversight Services Document Center found at the Common Origination and Disbursement Web Site.

- Login to the COD Website at cod.ed.gov
- Click the Login button to enter your FSA User ID and Password
- Select **Tools** tab on the top menu bar to access the Document Center
- Click **Tools** on the left navigation menu if you do not see the Document Center option
- Click **Document Center** to open its dropdown list
- Select **Upload Document**

Document Category: Select **Financial Analysis**

Document Sub-Category: Select **Analysis**

Document Type: Select **Document Obtained from Institution**

- **Please contact Ana Perez, Financial Analyst via e-mail at ana.perez@ed.gov after all documents have been uploaded.**

NOTE: A file must not exceed 50MB. If file exceeds 50MB, please attach no more than 3 files. Spreadsheets, Word documents, and PDF documents can all be uploaded in this manner. Note: If you are uploading multiple files, or the uploaded file(s) are large, your upload may take 3-4 minutes. Please do not navigate away or resubmit your upload in this time.

For additional guidance related to the Document Center, please refer to:

<https://fsapartners.ed.gov/knowledge-center/library/podcasts/2020-08-14/partner-eligibility-and-oversight-services-document-center>

Finally, the compliance audit and audited financial statements for FYE December 31, 2019 and December 31, 2020 must be submitted within 7 days of the date of this letter via ezaudit.ed.gov.

If you have questions regarding this matter, please feel free to contact Ana Perez, Financial Analyst, at 202-987-0228 or via e-mail at ana.perez@ed.gov .

Sincerely,



Martina Fernandez Rosario
Division Chief
San Francisco/Seattle School Participation Division

MFR/ap

cc: California Bureau for Private Postsecondary Education (*Via e-mail to: deborah.cochrane@dca.ca.gov*)
Accreditation Commission for Acupuncture and Oriental Medicine (*Via e-mail to: info@acaom.org*)