

December 12, 2016

VIA EMAIL (arbradio@earthlink.net)

Mr. Tom Gillenwater, President Academy of Radio and Television Broadcasting 16052 Beach Boulevard, Suite 263-N Huntington Beach, CA 92647

> Re: Reaccreditation Deferred; Institutional Show Cause Continued; Interim Report Reviewed; Interim Report Required ACCET ID #173

Dear Mr. Gillenwater,

At its December 2016 meeting, the Accrediting Commission of the Accrediting Council for Continuing Education & Training (ACCET) reviewed the institution's interim report submitted in response to the August 11, 2016 Commission Action letter, resulting from the Commission's review of the on-site visit team report (visit conducted October 1-2, 2015), the institution's response (dated November 18, 2015), and interim reports submitted (November 12, 2015, February 29, 2016, and October 28, 2016) in response to the show cause directive initially issued in the August 11, 2015 Commission Action Letter due to serious concerns regarding the institution's financial stability and eligibility for participation in Title IV Federal Student Aid programs. The Commission's August 2016 action extended the institution's accredited status until December 15, 2016, and directed the institution to submit an interim report to include the following four items: 1) an update on the methods employed by the institution to accommodate the HCM1 method of payment for Title IV funds, along with written policies and procedures to ensure compliance; 2) updated financial statements and an updated financial recovery plan; 3) an updated Teach-Out Plan; and 4) a revised completion and placement policy that includes requirements for completion waivers and placement waivers, along with an updated Document 28.1 - Completion and Placement Statistics for the Radio Broadcasting (residential) program to remove one student, R. Hayden, who was documented as a non-completer.

Upon its review at the December 2016 meeting, the Commission voted to defer consideration of reaccreditation with good cause, to extend the institution's accredited status until April 2017, and to continue for good cause the institutional show cause originally issued in the August 11, 2015 Commission Action letter based on issues regarding financial stability and eligibility for participation in Title IV Federal Student Aid programs. The good cause noted by the Commission is the institution's improved financial performance. The Commission also directed the institution to submit an interim report to include the following specific items:

- 1. Detailed profit/loss projections for 2017. While the institution provided estimates for quarterly net income, the interim report did not include information on how these net income estimates were determined.
- 2. A narrative regarding the large entry for accounts receivables, which constitutes the majority of the institution's current assets.
- 3. In its October 28, 2016 Interim Report, the institution provided a brief update to the institution's recovery plan. However, this update did not provide details, including specific actions, timeframes, and any resources allocated. For example, the institution indicates that its plan includes additional resources for increasing student retention, but does not provide information on what those resources are or the results of previously implemented retention initiatives.

Therefore, the institution must provide a detailed financial recovery plan, to include specific steps taken and expected timeframes for benchmarked improvements, as well as the results of the institution's monthly monitoring of progress for the four actions indicated in the October 28, 2016 response: 1) advertising for recruitment, 2) resources for increasing student retention, 3) continuing to monitor ongoing cost controls, and 4) increased efforts to recruit veterans and international students.

4. In its October 28, 2016 Interim Report, the institution provided an updated Document 28.1 for its Radio Broadcasting (residential) program, but did not include its policies and procedures for completion and placement to demonstrate that completion and placement waivers are collected and recorded in compliance with ACCET requirements, as required in the August 11, 2016 Commission Action Letter.

Therefore, the institution must provide a copy of its internal policies and procedures for completion and placement, which are to include defining and tracking waivers for both completion and placement in accordance with ACCET Document 28 – <u>Completion and Placement Policy</u>.

A copy of this report, including the attached interim report cover sheet, must be emailed to **interimreports@accet.org** for receipt at the ACCET office no later than **February 24, 2017**.

As a reminder, please be advised that late submission and receipt of documents and reports are subject to significant late fees in accordance with Commission policy. These fees are outlined in ACCET Document 10, which can be found at <u>www.accet.org</u>.

Further, while under a Show Cause directive, the institution is restricted from making any substantive changes including, but not limited to, new programs, major program revisions, new branch campuses or other new sites, or relocations out of the general market area.

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Deferral of reaccreditation is not an adverse action and is explained in ACCET Document 11 - Policies and Practices of the Accrediting Commission, which is available on our website at <u>www.accet.org</u>. The deferral of a final decision is intended to allow for an opportunity to clarify and/or resolve the issues of concern cited herein, specifically focused on the demonstration of systematic and effective implementation of revised policies and procedures in practice over time.

Your demonstrated capabilities and commitment in support of the institution's accredited status are essential to a favorable outcome in this process. Should you have any questions or need further assistance regarding this letter, please contact the ACCET office at your earliest opportunity.

Sincerely,

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William V. Larkin, Ed.D. Executive Director

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Enclosures: Interim Report Cover Sheet

CC: Mr. Herman Bounds, Chief, Accreditation Division, US ED (aslrecordsmanager@ed.gov) Ms. Martina Fernandez-Rosario, ACD - San Francisco/Seattle, US ED (martina.fernandezrosario@ed.gov) Mr. Ron Bennett, Director, School Eligibility Service Group, US ED (ron.bennett@ed.gov) Ms. Joanne Wenzel, Bureau Chief, CA Bureau for Private Postsecondary Education, (joanne wenzel@dca.ca.gov) Ms. Leeza Rifredi, CA Bureau Postsecondary Education, for Private (leeza.rifredi@dca.ca.gov)