February 6, 2017

FEDERAL EXPRESS SIGNATURE REQUIRED & ELECTRONIC SUBMISSION TO cturen@americancareercollege.edu

Mr. Chris Turen Executive Director American Career College 4021 Rosewood Avenue Los Angeles, CA 90004

Dear Mr. Turen:

American Career College, Los Angeles, California, ID#: I-017 American Career College, Anaheim, California, ID#: I-017-01

The Commission, at its January 2017 meeting, reviewed your institution's correspondence and responses related to your outcomes reporting and the institution's appearance in response to the August 8, 2016, Commission directive. Based on review and discussion, the Commission directs the institution to continue to **show cause why its accreditation should not be withdrawn.** The institution's current grant of accreditation is continued through February 28, 2018.

A show-cause directive is not an adverse accreditation action, but serves as notification that absent corrective action and information by and from the institution or program to address specific compliance concerns, accreditation status will be in jeopardy. This show-cause directive is the result of failure of the institution's program to demonstrate compliance with Chapter III, Sections A and C of the *Accreditation Manual*.

The Show Cause directive provides a further opportunity for the institution to respond to the findings of noncompliance as described below:

• According to Chapter III, Section A, Subsection 10, failure to demonstrate at least a 70 percent placement rate raises a question whether accreditation requirements are being met. An institution' is required at minimum to demonstrate that it has effectively analyzed the situation and taken measures to correct the deficiency through creation of an action plan.

Furthermore, Chapter III, Section C, states the Commission may withdraw accreditation at any time if it determines that placement rates fall below 70 percent. The Commission may at its discretion provide an opportunity for the institution or program to bring itself into compliance within a time period specified by the Commission.

 1 See generally ABHES Accreditation Manual, $17^{\rm th}$ Edition, p. 42.

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LOS ANGELES AND ANAHEIM, CALIFORNIA (ID#: I-017 and I-017-01) – VOCATIONAL NURSE – DIPLOMA PROGRAMS

The findings of noncompliance set forth below related to the Vocational Nursing – Diploma programs were first identified by the Commission in its letters dated August 3, 2015. Chapter III.C. dictates that the time that the Commission may allow for the program to demonstrate compliance was to end February 11, 2016. The Commission has, for good cause, extended the period for achieving compliance due to significant improvement in the programs' placement rates. The Commission will review the institution's response to this letter at its **May 2017** meeting and make further determinations at that time.

According to our records, the placement rates below have been reported for the Vocational Nursing – Diploma program to date for the Los Angeles, CA campus:

- o August 2014 Institution is placed on initial reporting. The institution reported a placement rate of 30% on the 2012-2013 ABHES Annual Report.
- o March 2015 Institution is continued on reporting. The institution reported a placement rate of 33% on the 2013-2014 ABHES Annual Report.
- o August 2015 Institution is continued on reporting with limited enrollment. The institution reported an updated placement rate of 49% for the 2013-2014 ABHES Annual Report.
- December 2015 Institution reported a placement rate of 30% on the 2014-2015 ABHES Annual Report.
- July 2016 Institution reported an updated placement rate of 44% for the 2014-2015 reporting year.
- October 2016 Institution reported an updated placement rate of 53% for the 2014-2015 reporting year.
- December 2016 Institution reported a placement rate of 51% on the 2015-2016 ABHES Annual Report.

According to our records, the placement rates below have been reported for the Vocational Nursing – Diploma program to date for the Anaheim, CA campus:

- o August 2014 Institution is placed on initial reporting. The institution reported a placement rate of 28% on the 2012-2013 ABHES Annual Report.
- o March 2015 Institution is continued on reporting. The institution reported a placement rate of 23% on the 2013-2014 ABHES Annual Report.
- o August 2015 Institution is continued on reporting with limited enrollment. The institution reported an updated placement rate of 34% for the 2013-2014 ABHES Annual Report.
- December 2015 Institution reported a placement rate of 36% on the 2014-2015 ABHES Annual Report.

- o July 2016 Institution reported an updated placement rate of 47% for the 2014-2015 reporting year.
- October 2016 Institution reported an updated placement rate of 54% for the 2014-2015 reporting year.
- December 2016 Institution reported a placement rate of 48% on the 2015-2016 Annual Report.

Therefore, the institution is directed to continue to limit enrollment in the Vocational Nurse – Diploma program at the Los Angeles Campus to 160 new students for the 2016 - 2017 reporting year and 120 new students for the 2016-2017 reporting year at the Anaheim Campus and submit the following:

- 1. Updated 2014-2015 and 2015-2016 placement rates for the Vocational Nursing Diploma programs and back-up documentation to confirm the updated rates using the **ABHES required** back-up document located on the **ABHES website** at www.abhes.org/annualreport.
- 2. A list of graduates whose placement categorization (in field, in a related filed, unavailable or, placed out of field/not placed) has changed including graduate name, previous category and current category, as well as, documentation and rationale to justify any new categorizations identified on the list of names above as placed in field, in a related field, or unavailable.
- 3. An analysis of those graduates within each reporting period noted above not placed or placed out of field, and how they may influence the current placement rate and the institution's action plan.

Lastly, if the institution has determined to formally teach-out and discontinue any of the above programs, please provide the confirmation of the formal teach-out acknowledgement sent by ABHES. If the institution decides to teach-out the above two programs, the show cause will be vacated.

The show-cause directive notifies the institution that should its response to this action, which may at the institution's election include an appearance before the Commission, fail to demonstrate compliance with these standards, the Commission may withdraw accreditation as its next possible action.

Further, given these concerns and as a means of protecting current and future students, the institution is directed to submit an update to the previously submitted ABHES proposed teach-out plan for the Vocational Nursing - Diploma programs found under the Forms Tab on the ABHES website at www.abhes.org/forms which is consistent with applicable standards and regulations and provides for the equitable treatment of students. Include documentation of the following provisions in the submitted teach-out plan:

- a. The teach-out institution is accredited by an institutional accrediting agency recognized by the U.S. Department of Education.
- b. The teach-out institution is stable, carries out its mission and meets all obligations to existing students.
- c. The teach-out institution has the necessary experience, resources and support services to provide educational program that are of acceptable quality and reasonably similar in content, structure and scheduling to those provided by the institution or program that may cease operations either entirely or at one of its locations. This includes graduates' access to the same credentialing

- exams, as applicable.
- d. Students are provided access to the program and services without requiring them to move or travel substantial distances.
- e. Students will be treated equitably with regard to any charges or refunds; and, if tuition has been paid in full, that students receive the instruction promised at no additional charge.
- f. Students will be provided with written notification regarding their rights and opportunities for teach-out, transfer and refunds.

If, as part of its response to this directive, the institution wishes to appear before a panel of the Commission, its request to appear must be submitted in hard-copy form to the ABHES office within 10 calendar days of the date of this letter. A \$3,000 personal appearance fee must accompany this request and a \$3,000 deposit for expenses will be required to be submitted 30 days prior to the appearance. The institution will be provided a summary of expenses following the hearing and will be refunded or charged the difference from the \$3,000 deposit. The institution has the opportunity to request a teleconference, in lieu of a personal appearance, which requires a \$2,000 fee to accompany this request, also due within 10 calendar days from the date of the Commission action.

Should the program wish to appear, the appearance materials must be submitted in accordance with the Response Requirements outlined below.

Response Requirements

The institution's response to this letter, including the cover letter, narrative, exhibits, and the completed "Notice for Commissioner Recusal" form included with this letter, must be submitted on a USB (stick) drive or on a CD Rom, in accordance with the instructions "Preparing Your Institution's Response" found under the Forms Tab on the ABHES Website at www.abhes.org/forms. Please be advised, according to the instructions, electronic bookmarks must be used to identify supporting exhibits in the response. A response, which does not include electronic bookmarked exhibits, will not be accepted.

The response must be received by ABHES no later than **May 1, 2017**. <u>It is imperative that the USB drive or the CD Rom is properly labeled with the (1) institution's name, (2) city/state, (3) ABHES ID #, (4) Response to February 2017 Show Cause Letter, and (5) date.</u>

The institution is advised that failure to respond per the Response Requirements by the due date will result in a late-fee assessment in accordance with Appendix G of the *Accreditation Manual*.

The U.S. Department of Education and the appropriate state-licensing agency have been notified of this action.

Mr. Chris Turen Page 5 February 6, 2017

If you have any questions concerning this correspondence, please contact me at (703) 917-9503.

Sincerely,

Florence Tate Executive Director

Attachment: Notice for Commissioner Recusal

Debbie Jones, American Career College – Anaheim
Mary Margaret Coughlin, ABHES
Shane Ferrebee, Education Specialist for Veteran Education