



April 18, 2017

VIA EMAIL & FEDERAL EXPRESS  
(joshua.porter@usa-english.com)

Mr. Joshua Porter  
Academic Director  
Spokane College of English Language  
718 W Riverside Avenue, Ste 200  
Spokane, WA 99201

***Re: Interim Report Reviewed;  
Institutional Show Cause Issued;  
Interim Report Required  
ACCET ID #1352***

Dear Mr. Porter,

At its April 2017 meeting, the Accrediting Commission of the Accrediting Council for Continuing Education & Training (ACCET) reviewed the institution's interim report submitted in response to the December 12, 2016 Commission Action letter, as a result of its review of financial reporting provided to the Financial Review Committee and referred to the Commission. The Commission's December 2016 action directed the institution to submit an interim report to include the following five items: 1) internally-generated financial statements (balance sheet and income statement) for calendar year 2016; 2) revenue/expense projections for the four quarters of calendar year 2017; 3) a financial recovery plan, as well as documentation of financial support, if necessary; 4) a signed statement by the CEO or SFO attesting to the truth and accuracy of the statements; and 5) quarterly financial reporting, submitted separately and due within 30 calendar days of the end of each quarter.

Upon its review of the institution's interim report, dated February 24, 2017, the Commission determined that the documentation provided raised serious concerns regarding the institution's financial stability. The financial statements indicate a significant decrease in the current ratio from the previous submission in June, along with continued significant operating losses. While the institution provided documentation of its financial recovery plan, the Commission is concerned that the institution may not have the financial resources to weather this extended period of financial losses. The institution provided a letter from the CEO indicating his support, but did not provide the documentation necessary for the Commission to consider a financial guarantee as part of a review of the institution's financial stability. Therefore, the Commission voted to issue a Show Cause directive, requiring the institution to show cause why its accredited status should not be withdrawn.

Toward that end, the Commission directed the institution to submit an interim report to include a

narrative update, including the following specific items:

1. Internally-generated financial statements (balance sheet and income statement) for January 1 through June 30, 2017, as well as the following information:
  - a. Line-by-line comparisons with the same period of the previous year for both the balance sheet and income statement
  - b. Comparisons of the income statement with the projections previously submitted to ACCET in the February 24, 2017 interim report.
2. A narrative pertaining to the large “other” current liability listed on the balance sheet.
3. A narrative update on the institution’s financial recovery plan. The institution should provide updates on each action item in the previously submitted plan, including results of any actions taken and any changes to the actions, timeframes, and milestones in the plan. As additional support for the institution’s plan, the institution is directed to provide monthly enrollment information for January to June 2017.
4. A narrative and relevant supporting documentation on the degree to which the institution is supported by external financial resources. While the institution’s interim report included a statement from the CEO indicating support, financial guarantee documentation was not provided, indicating to the Commission that external resources could not be relied upon for the ongoing operations of the institution.

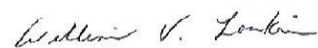
A copy of this report, including the **attached interim report cover sheet**, must be emailed to [interimreports@accet.org](mailto:interimreports@accet.org) for receipt at the ACCET office no later than **June 30, 2017**.

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

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.

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,



William V. Larkin, Ed.D.  
Executive Director

Spokane College of English Language

April 18, 2017

Page 3 of 3

WVL/meay

Enclosures: Interim Report Cover Sheet

CC: Mr. Herman Bounds, Chief, Accreditation Division, US ED (aslrecordsmanager@ed.gov)  
Ms. Katherine H. Westerlund, Certification Chief, SEVP  
(katherine.h.westerlund@ice.dhs.gov)  
Ms. Rachel Canty, Director of External Operations, SEVP (rachel.e.canty@ice.dhs.gov)