

December 21, 2015

VIA EMAIL & FEDERAL EXPRESS (caleb@careercalifornia.edu)

Mr. Caleb Everett, CEO Career College of California 201 E 4th Street, Ste 200 Santa Ana, CA 92701

> Re: Interim Report Reviewed/Interim Report Required; Institutional Show Cause Continued ACCET ID #1164

Dear Mr. Everett:

At its December 2015 meeting, the Accrediting Commission of the Accrediting Council for Continuing Education & Training (ACCET) reviewed the institution's interim report submitted in response to the October 25, 2015 Commission Action letter, resulting from an Institutional Show Cause directive issued based on concerns relative to the institution's financial stability. That action directed the institution to submit an interim report to include the following three items:

- 1. Any notifications or actions from the CA BPPE, as well as relevant correspondence or reporting from the institution to the CA BPPE.
- 2. A narrative update on the institution's strategic plans with particular reference to the institution's continued financial stability.
- 3. Internally-generated financial statements (balance sheet and income statement) for March 1 through October 31, 2015, along with a signed statement from the CEO or CFO attesting to the truth and accuracy of the statements.

Upon its review of the institution's interim report, dated November 25, 2015, the Commission determined that ongoing concerns relative to the institution's financial stability remain.

Therefore, the Commission voted to continue the Institutional Show Cause directive and directed the institution to submit an additional interim report to include the following specific items:

The institution indicated that it had exhausted its ability to maintain financial stability and

A review of the institution's financial report indicated significant financial losses, difficulty with collections, and an increase in long-term debt. Therefore, , a teach-out plan must be provided in accordance with ACCET Document 32 – Teach-Out/Closure Policy as part of this interim report. The institution must also provide updated financial statement (balance sheet and income

statement) for calendar year 2015. 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 26, 2016.

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.

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

WVL/dfh

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Enclosures: Interim Report Cover Sheet

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