



Accrediting Commission of Career Schools and Colleges

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January 17, 2014

Senator Richard Durbin
United States Senate
711 Hart Senate Office Building
Washington, DC 20510-1304

Dear Senator Durbin:

The Accrediting Commission of Career Schools and Colleges (“ACCSC” or “the Commission”) is in receipt of your letter dated December 17, 2013 regarding a recent article published in the Huffington Post. The article reported that Corinthian Colleges, Inc., (“Corinthian”) which has campuses accredited by ACCSC, “has engaged in deceptive job placement practices to artificially boost job placement rates in an effort to mislead students and accreditors.” Your letter poses the following question: “given what appear to be sustained, intentional deceptive practices, what is ACCSC doing to hold Corinthian accountable and ensure they do not continue these fraudulent practices?” This letter responds to that query.

ACCSC is an accrediting agency that earned recognition by the U.S. Department of Education after a rigorous review of all facets of the Commission’s operations including its accreditation standards and rules of practice and procedure. ACCSC takes its responsibility as an accrediting agency very seriously and works closely with its partners within the regulatory triad at the state and federal levels to protect students and ensure the effective oversight of higher education. In order to be accredited by the Commission, an educational institution must demonstrate that it is in compliance with ACCSC’s accreditation standards including, among others, those governing student recruitment, advertising, admission practices, and student achievement outcomes measures. ACCSC’s rules of practice establish the procedures by which an institution carries its burden of proving compliance with the standards. In cases where the Commission finds an institution to be out of compliance, the rules provide the institution with an opportunity to take corrective action and demonstrate compliance with accreditation requirements. When an institution fails to establish compliance, ACCSC has several programmatic and institutional actions which it can take against an institution up to and including revoking program approval and revoking the institution’s accreditation.

With respect to the matters addressed in your letter, ACCSC became aware on February 1, 2013 that an investigation of Corinthian had been initiated by the California Attorney General’s Office. In response to this information, ACCSC immediately launched a formal inquiry into the matter and sought specific information from Corinthian concerning the school’s compliance with relevant accrediting standards. On October 11, 2013, Corinthian informed the Commission that on October 10th, the California Attorney General had filed a complaint in San Francisco Superior Court against Corinthian and a number of its subsidiaries alleging that Corinthian misrepresented job placement rates, advertised programs it does not offer, unlawfully used military seals in advertising, and inserted unlawful clauses into enrollment agreements. In light of this development, ACCSC expanded its inquiry by requiring Corinthian to provide an update on the status of the California Attorney General lawsuit; the results of any internal investigation into the matters raised in the lawsuit and any corrective action taken by Corinthian; a description of any erroneous employment rates submitted to ACCSC; and a copy of the schools’ advertising and enrollment agreements. With regard to the allegations made in the Huffington Post article, the Commission has directed Corinthian

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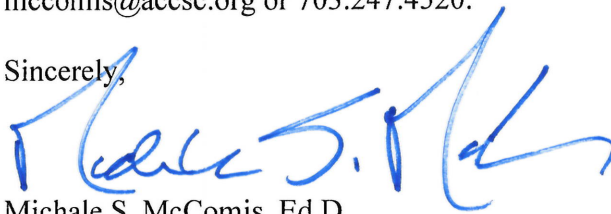
to provide additional information regarding these alleged practices, including the results of any internal investigation undertaken.¹ Also, based upon a public disclosure made by Corinthian, the Commission has requested information pertaining to any action taken by the U.S. Consumer Financial Protection Board.

ACCSC will carefully review this matter at its next full Commission meeting in February 2014. As is clear from the foregoing, ACCSC is in the midst of an active investigation of Corinthian's conduct and whether any of the institutions' actions were in contravention of the Commission's accreditation standards.

ACCSC recognizes the important role that accreditation plays in ensuring a quality education for all students. The Commission also appreciates the high expectations that Members of Congress, the U.S. Department of Education, and the public have for recognized accrediting agencies. For these reasons, ACCSC would appreciate an opportunity to meet with your staff to discuss this matter further.

To discuss this matter further or to set up a meeting, please feel free to contact me directly at mccomis@accsc.org or 703.247.4520.

Sincerely,



Michale S. McComis, Ed.D.
Executive Director

¹ Please note that the school in question, Everest Institute in Decatur, GA had been issued an order to show cause as to why its accreditation should not be revoked due to issues concerning, among others, the school's below benchmark student achievement outcomes.