

TOPIC: DEGREE AUTHORIZATION ACT: UPDATE ON COLLEGE AMERICA

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I. SUMMARY

On January 9, 2014, CollegeAmerica's accreditor, the Accrediting Commission on Career Schools and Colleges (ACCSC), voted to continue CollegeAmerica's original Show Cause Order with a subsequent review scheduled for ACCSC's May 2014 meeting. Since the Commission is statutorily authorized to take action *after* (emphasis added) an action taken by the accrediting body occurs, staff does not recommend any action at this time; this is for information only.

II. BACKGROUND

The Colorado Commission on Higher Education has statutory responsibility for administration of Title 23, Article 2 of the Colorado Revised Statutes, commonly referred to as the Degree Authorization Act. The Act sets out the terms by which the Commission may authorize properly accredited private colleges and universities, out-of-state public colleges and universities, and seminaries and bible colleges to offer degrees or degree credits in Colorado. Persons or organizations that violate the provisions of the statute are subject to legal penalties. These institutions must receive authorization by the Commission prior to offering any program of instruction, academic credits, or degrees; opening a place of business; soliciting students or enrollees; or offering educational support services. Pursuant to state law, a private college or university is required to be accredited on the basis of an on-site review in Colorado by a nationally recognized regional or national accrediting association.

III. STAFF ANALYSIS

During the summer of 2013, the ACCSC issued a system-wide show cause notice to the institutions operating under the Center for Excellence in Higher Education, the parent company to the three Colorado CollegeAmerica campuses. The system and its colleges responded within the required timeframe and ACCSC reviewed the response at its November 2013 meeting.

On January 9, 2014, Department staff received campus specific response letters from ACCSC regarding actions taken at the ACCSC Commission meeting. The ACCSC voted to continue the Show Cause Order, for the CollegeAmerica campuses located in Colorado, with a subsequent review scheduled for ACCSC's May 2014 meeting. The three campuses of CollegeAmerica must provide a response on or before March 21, 2014.

The reasons for the continued Show Cause Order vary by campus and are broken down as follows:

Colorado Springs

The Colorado Springs campus must demonstrate that the school engages in ongoing efforts to promote student loan repayment. The ACCSC found that the school did not provide sufficient evidence to support the school's assertion with regard to the effectiveness of the updated student loan default prevention process.

Fort Collins Campus

The Fort Collins campus must demonstrate:

- That the school is in compliance with all applicable state government requirements;
- Successful student achievement by maintaining acceptable rates of student graduation and graduate employment; and
- That the school engages in ongoing efforts to promote student loan repayment.

CollegeAmerica-Fort Collins must provide a response to the items above that provides the information requested along with any additional information that the school believes supports a demonstration of compliance with accrediting standards.

Denver Campus (Main Campus)

The Denver campus must demonstrate:

- Successful student achievement by maintaining acceptable rates of student graduation and graduate employment;
- That the school engages in ongoing efforts to promote student loan repayment;
- That the school is responsible and accountable to the Commission for its separate facilities. In reviewing the compliance status of CA-Denver, the ACCSC took into account the compliance status of the school's three branches: CA-Colorado Springs, CA-Fort Collins, and CA-Cheyenne;
- The ACCSC noted that any negative impact resulting from the main school's cohort default rates will also affect these branch campuses;
- The ACCSC still has questions about the compliance status of CA-Fort Collins with regard to the school's license to operate in the state of Colorado and student achievement outcomes; and
- The role of CA-Denver in ensuring its separate facilities adhere to accrediting standards.

IV. COLORADO ATTORNEY GENERAL'S OFFICE GUIDANCE

Department staff sought guidance from the Colorado Attorney General's Office, which responded,

...under the relevant statute (section 23-2-103.4(2)(c), C.R.S.), any action CCHE is statutorily authorized to take is tied to an action taken by the accrediting body... given the fact that the accrediting body is still investigating College America, it seems to make the most sense for CCHE to hold off on action... until we receive the outcome of the accrediting body's investigation and find out what action, if any, they decide to take.

Given this guidance, staff has no recommendation for action at this time and will update the Commission on any action taken by the ACCSC after May 2014.

V. STAFF RECOMMENDATION

This item is for information only; staff makes no recommendation at this time.

STATUTORY AUTHORITY

C.R.S. §23-2-103.3