



Public Disclosure Notice on Everest College Phoenix
Phoenix, Arizona; Mesa, Arizona; and Online
Effective: November 3, 2011

The following public information is provided by the Higher Learning Commission (the Commission) regarding Everest College Phoenix (the College). The Commission is a regional accrediting agency that accredits institutions of higher education in the 19 states of the North Central region.

What is the accreditation status of Everest College Phoenix?

Everest College Phoenix is accredited by the Higher Learning Commission. It was under a Show-Cause Order from the Commission from November 4, 2010, to November 3, 2011. On November 3, 2011, the Board of Trustees (the Board) of the Commission determined that the institution had resolved the concerns of the Commission, with the exception of the concern related to the draft findings of the U.S. Department of Education about the institution's handling of its Title IV federal financial aid, and demonstrated that it otherwise met all the Criteria for Accreditation. The Board removed the Show-Cause Order and continued the accreditation of the College. This action is subject to potential Reconsideration as noted below.

What are the next steps for Everest College Phoenix in the Commission's processes?

The Board voted to require that the institution file a monitoring report for each completed quarter on governance, enrollment, and faculty. The report should include the following information for the preceding quarter:

- Minutes for each Board meeting in the preceding quarter;
- Enrollment and retention report distinguishing students by status (full- or part-time), program level (associate, bachelor, or certificate), major, and delivery mode (online or on ground);
- Numbers of full- and part-time faculty online and on-ground; and
- Actual instructional loads for full- and part-time faculty online and on-ground.

Each report is due within thirty days of the close of the previous quarter. The first report is due January 15, 2012. If any of the quarterly reports provide evidence that conditions at the institution have not continued to improve, the University will be scheduled for an Advisory Visit within three months of receipt of the report to determine whether a sanction or further monitoring is needed.

The institution is also required to host an Advisory Visit in spring 2012 to evaluate further the College's admissions, recruiting and financial aid practices and to advise the Commission's President and Board of Trustees about whether the institution's practices

are in compliance with expectations in the Commission's Criteria for Accreditation. Depending on the evaluation team's findings and the recommendation made by the Commission's President, an Advisory Visit may result in no Commission action, or an action requiring further monitoring or imposing a sanction or withdrawal.

The Board scheduled the next comprehensive evaluation for 2013-14.

What are the next steps related to the outstanding Department of Education Program Review?

The Board noted that the institution and the Commission had not yet received the Final Program Determination from the U.S. Department of Education (the Department) in follow-up to a 2010 draft program report; that report identified several findings by the Department regarding the handling of Title IV financial aid by the institution. The Department characterized certain of its findings as misrepresentation to students as well as evidence of an intentional evasion of the 90/10 regulations applicable to proprietary institutions. The College disagreed and filed a response to the Department. The Board determined that, if the final Program Review Determination from the U.S. Department of Education contains any findings of fraud, misrepresentation or other breach of integrity, the Commission will immediately initiate a Reconsideration process under Commission Policy 2.5(f) that may result in a Reconsideration of this action to remove Show-Cause or may result in the imposition of other monitoring, sanctions or withdrawal of accreditation, as determined by the Board.

What is the history of accreditation review that led to this situation?

A comprehensive evaluation visit was conducted in 2008. Everest College Phoenix was placed on Probation in May 2009 in light of concerns that the College was in danger of failing to meet Criteria One and Three of the Commission's Criteria for Accreditation due to concerns related to governance, planning, faculty and assessment. A comprehensive evaluation visit was conducted in May 2010 to ascertain whether the institution had resolved the concerns of the Board and warranted removal of Probation.

The College hosted a Show-Cause Visit in June 2011 and appeared at a Board Committee Hearing in October 2011. Based on the evidence put forth during the Show-Cause process, the Board removed the College from Show-Cause in November 2011.

November 11, 2011