

Summary of Actions: March 6, 2017

Continue on Probation, Issue Order to Show Cause Why Accreditation Should be Continued

Carver College, Atlanta, GA

Continue Carver College (GA) on Probation for one year and order the institution to Show Cause why its accreditation should be continued in light of the Commission's judgment that the institution fails to comply with the following ABHE standards, and require a special progress report addressing all areas of non-compliance, due November 15, 2017:

- **Standard 3, EE 6, 7 (failure to submit timely reports and financial information to ABHE and inadequate policies and procedures related to financial management, particularly business office functions, Title IV requirements, and ethical obligations to employees)**
- **COE 19, Standard 6b, EE 1, 3, 4, 6, 7 (failure to submit audits and financial information to ABHE, lack of a development/fundraising plan, severe cash flow difficulties limiting the institutions ability to achieve its educational goals, the abundance and age of large accounts receivable for an institution of this size, insufficient financial reserves, insufficient internal financial controls)**
- **Standard 6c, EE 2, 3 (significant deferred maintenance for aging facilities, small staff, and lack of related budgetary planning)**
- **Standard 7c, EE 2 (failure to adequately satisfy USDE Title IV reporting requirements resulting in HCM2 status)**

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The Meaning of Show Cause

A show cause order is a negative, public action indicating that an institution's accredited or candidate status will be withdrawn unless it can provide persuasive evidence that such action should not be taken. The time allowed to provide this persuasive evidence is not to exceed one year. A teach-out plan, approved by the appropriate Commission on Accreditation committee, is required for institutions placed on show cause. The institution will be required to submit a teach-out plan in accord with specifications in the Policy and Process for Reviewing a Required Teach-Out Plan within 60 days of the notice informing it of the show cause order. If the institution already has an approved teach-out plan on file, a new plan is not required unless changes are necessary.

In cases where an institution has been on probation for two years, but has failed to correct its deficiencies, a show cause order can only be issued for good cause. In the absence of good cause, the Commission on Accreditation is required by federal regulations to remove an institution's status with the Commission on Accreditation. The rationale for good cause must be substantive and defensible.

A show cause order may be appealed in accordance with the ABHE Policy on Reviews and Appeals. Notification of an appealable action will not be released until appeal options have been exhausted and the action is final.