

2101 Wilson Boulevard, Suite 302 Arlington, Virginia 22201 703.247.4212 703.247.4533 fax www.accsc.org

November 8, 2024

ELECTRONIC DELIVERY

School #M072476

Probation Order

Chief Executive Officer/ Campus Director United Aviate Academy 1658 South Litchfield Road, Suite 104 Goodyear, Arizona 85338

Dear

At the August 2024 meeting, the Accrediting Commission of Career Schools and Colleges ("ACCSC" or "the Commission") considered the previous decision to place United Aviate Academy ("UAA") on Warning upon review of the extension request submitted after the school's failure to respond to the below items by the required deadlines.

- December 12, 2023 Advertising Notice, due January 12, 2024;¹
- February 28, 2024 Deferral, originally due April 11, 2024 relative to the school's Applications for Renewal of Accreditation, Change of Control, and Relocation;
- February 28, 2024 Deferral, originally due April 11, 2024, relative to the March 8, 2023 complaint submitted by **11**; and
- Required audited financial statement submission for FYE 2022, due June 30, 2023.

In addition, the Commission considered the following additions to the school's record:

- Delinquent FYE 2023 audited financial statements, originally due by June 30, 2024;
- The Commission's May 2023 cap-enrollment order.

Upon review of the May 28, 2024 Warning; the school's response to that letter, which includes responses to all aforementioned letters; the **complaint**; the school's response to the complaint; and the continued delinquency of the school's FYE 2023 financial statements and sustaining fees, the Commission voted to place UAA on **Probation** with a subsequent review scheduled for ACCSC's **February 2025** meeting. In addition, the Commission voted to close both complaints referenced above, and to **maintain the enrollment cap**. The reasons for the Commission's decision are set forth below.

History of the Commission's Review:

- On October 15, 2020, ACCSC acknowledged that as of July 1, 2020, United Airlines, Inc. acquired membership interest necessary to operate UAA,² and recognized Westwind School of Aeronautics, Phoenix LLC as the Level 1 owner and United Airlines, Inc. ("UA, Inc.") as the ultimate owner of the school.
- At the May 2022 meeting, the Commission first considered UAA's Application for Renewal of Accreditation and Change of Control application. Upon review of the corresponding March 13, 2022

¹ ACCSC received the response to the December 12, 2023 Advertising Notice letter on May 6, 2024.

² On January 24, 2022, ACCSC approved the school's application to change the name from Westwind School of Aeronautics, Phoenix LLC. to United Aviate Academy.

On-Site Evaluation Report ("OER") and the school's response to that report, the Commission voted to defer final action to provide the school with an additional opportunity to demonstrate compliance with accrediting standards in areas, including outcomes, graduate employment verification, institutional assessment and improvement activities, refunds processing, program advisory committee, admissions, enrollment agreements, and the submitted faculty qualification waiver. In addition, the Commission noted that at the time of the on-site evaluation, the conclusion of the Renewal of Accreditation and Change of Control on-site evaluation and the submission of the school's response, assumed the Academy Services Director role. The Commission expressed concern that, due to the magnitude and range of compliance concerns and the turnover, the school's management may lack an adequate understanding of ACCSC accreditation requirements. As such, the Commission directed the school director, to attend an Accreditation Workshop.³

- At the November 2022 meeting, the Commission considered its previous decision to defer final action. Upon review of the July 25, 2022 Deferral and the school's response, the Commission voted again to defer action, because the school had not yet clearly demonstrated compliance with accrediting standards in eight areas, including financial soundness, student achievement outcomes, graduate employment verification, institutional assessment and improvement activities, refund processing, program advisory committee, admissions, enrollment agreements, and faculty. The Commission questioned the school's financial soundness in a November 22, 2022 letter (incorporated here by reference) and placed the school on Financial Reporting.
- On March 8, 2023, the Commission received a named complaint alleging that UAA may not be in compliance with the Commission's standards in the areas of faculty, student advising, student learning and assessment, student academic progress, student complaints, and probation and termination policies. The Commission forwarded the complaint to the school on April 4, 2023, requiring a response on or before May 4, 2023.
- On April 24, 2023, the Commission received notification of a Change in Director/Campus Leadership, from to to to the signed by then Chief Executive Officer, the signed by the Chief Executive Officer, the signed signed by the chief Executive Officer, the signed signe
- At the May 2023 meeting, the Commission considered its previous decision to defer UAA's Applications for Renewal of Accreditation and Change of Control and supplemented its review with the March 15, 2023 On-Site Evaluation Report relative to the school's Application for a Change of Location (Relocation) and the school's response. The Commission also considered the November 22, 2022 letter placing the school on Outcomes Reporting. Upon review of the December 27, 2022 Deferral, the March 15, 2023 OER, the school's responses, and the school's internally prepared financial statements, the Commission noted the school's significant growth and questioned the efficacy of the school's strategic plans, availability of resources to support the growth of the school, and the school's ability to demonstrate and maintain compliance with accrediting standards. Further, the Commission expressed concern regarding the school's financial soundness given the significant, year-over-year increasing net losses presented in the school's internally prepared financial statements, and the significant and increasing note the school owes to its parent company, United Airlines. Finally, the Commission voted to once again defer final action and required UAA to cap the school's overall enrollment to 325.
- At the June 2023 meeting, the Commission considered a March 8, 2023 complaint submitted by the Commission's April 4, 2023 letter, and the school's response, and voted to direct UAA to submit

³ ACCSC records show that

additional information to demonstrate the school's compliance with accrediting standards relative to student academic progress, probation and termination policies, and the school's catalog.

- On June 16, 2023, ACCSC received UAA's extension request for the FYE 2022 audited financial statements, due June 30, 2023, submitted by then Chief Executive Director,
- In November 2023, the Commission considered the history of the record in this matter, including:
 - UAA's Application for Renewal of Accreditation, Application for a Change of Control, and Application for a Change of Location (Relocation);
 - The Commission's concerns raised regarding the soundness of the school's financial position and significant growth and the school's responses; and
 - The Commission's previous reviews summarized above and its most recent decision to defer final action again.

Upon review of the August 15, 2023 Deferral (including the history to date outlined therein) and the school's response, the Commission determined that UAA had still not made a sufficient demonstration that adequate infrastructure exists to support the school's growth aspirations while maintaining compliance with accrediting standards. The Commission expressed ongoing and growing concern regarding the school's financial structure and soundness, particularly in light of the school's failure to produce FYE 2022 financial statements; student satisfaction and support efforts; student achievement outcomes; refunds; and advertising and promotional materials.

- On January 17, 2024, ACCSC received notification that, once again, the school's director had changed, identifying as the new School Director/ Chief Executive Officer.⁴
- At the February 2024 meeting, the Commission reviewed ACCSC's July 7, 2023 letter concerning the complaint filed by and the school's response and voted to defer action to the May 2024 meeting to provide the school with an additional opportunity to demonstrate compliance with accrediting standards relative to student academic progress, and probation and termination policies.
- On April 26, 2024, the school submitted an extension request for all outstanding responses and submissions, as described above.
- At the May 2024 Commission meeting, the Commission considered the school's failure to submit the FYE 2022 financial statements and the extension request for already past-due responses to the February 28, 2024 Deferrals. The Commission also examined the turnover in key positions at the school and ultimately voted to place the school on **Warning**; to reissue the directives put forth in the February 28, 2024 Deferral, relative to financial soundness, student satisfaction, student achievement, and verifiable graduate employment records, the refund policy, advertising, and management and administrative capacity; to require the school to submit the FYE 2022 financial statements originally due June 30, 2023; to require **Marting** to attend an Accreditation Workshop; and to investigate the school's compliance with the August 15, 2023 cap enrollment directive.
- On June 6, 2024, ACCSC received a complaint from **1**. alleging that UAA may not be in compliance with the Commission's standards in the areas of program organization and length, instructional materials and equipment, faculty, student services, student satisfactory progress, and probation and termination policies.

⁴ ACCSC records do not show that the school notified the Commission regarding the change in school management from , but the change in director form submitted on January 17, 2024 identifies

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Areas of Non-Compliance with Accrediting Standards

- UAA has failed to demonstrate that the school's financial structure is sound with resources sufficient for the proper operation of the school and the discharge of obligations to students (*Section I (C)(1)*, *Substantive Standards, Standards of Accreditation*). ACCSC noted that on July 18, 2024, the school submitted for Commission review the fiscal year end ("FYE") 2022 audited financial statements, over one year late. In response to the Commission's May 28, 2024 Warning directing the school to submit FYE 2023 audited financial statements the school provided:
 - A memo regarding "Review of Going Concern Guidance Related to Westwind School of Aeronautics of Pheonix, LLC's Financial Statements for the Year Ended December 31, 2022, and Year Ended December 31, 2023" (June 28, 2024 UAA Response, pg. 871);
 - A memo regarding "Review of Goodwill for Impairment as of December 31, 2023, for Aviate UA's full Financial Commitment" (*Id.*, pg. 875); and
 - Unsigned correspondence from **Constant and Second President**, Sr. Vice President of Finance with United Airlines expressing UA's commitment to "fund any cash short-fall of UAA for Term and ensure the teach-out of UAA students during such period should circumstances arise warranting such action" (*Id.*, pg. 1071), without explicitly addressing a commitment to infuse the school with sufficient capital to ensure ongoing operations long term, should the school continue to operate with significant net losses.

In addition, in lieu of the required FYE 2023 audited statements, the school provided on page 971 of the response a Cash Flow Analysis, which shows starting cash assets totaling **between** on January 1, 2023, and an ending cash assets balance of **between** for FYE 2023—resulting from aircraft and asset purchases—changes in working capital, depreciation, "united intercompany expense," and a UA "cash infusion" of **between**. The school also provided an internal audit advisory report, which appeared to show a review of the school's financial procedures and protocols and suggestions for improving the financial management of the school.

The Commission's concerns in regard to the financial soundness of the institution include not only whether sufficient processes exist for the school's own financial management, but more importantly that the school and its ultimately owner entity have sufficient resources to meet UAA's obligations to students short- and long-term. As the school failed to provide contemporaneous financial statements as required, the Commission's review of the school's financial soundness is limited to 18-month-old financial data captured in the audited FYE 2022 statements, which show an exceedingly large amount of debt and other deficits.

Upon review of the school's most recent response and the FYE 2022 audited financial statements, the Commission expressed increasing concern regarding the school's ability to sustain operations given the alarming year-over-year losses. The FYE 2022 and 2021 audited financial statements show the following:

- UAA recorded two consecutive years of a net working capital deficit of (
 current assets to current liabilities) for 2022 and (
 current assets to current liabilities) (
 increase);
- UAA recorded related party payables of for 2022 and for 2021 (increase);

- UAA decreased its member's equity of for 2021 to a deficit of for 2022 (for decrease);
- UAA recorded two consecutive years of a net loss of for 2022 and for 2021 (for increase);
- Note 1 Nature of Operations and Summary of Significant Accounting Policies Dependency (pg. 8) indicates UAA is fully dependent financially on its parent company UA, Inc., if UA changes its priorities or decides to withdraw support, UAA will struggle, and the Company's long-term viability is dependent on UA's continued support and commitment; and
- Note 6 Related Parties Related Party Payable (pg. 23) indicates that UA, Inc. provides cash to the UAA to support operations and supplement cash flow and that as of December 31, 2022, is outstanding.

Lastly, on October 11, 2024, the Commission received follow-up correspondence from the directive of the firm the firm the firm the firm to prepare the 2023 and 2024 audits. The letter states that UAA secured an agreement with the firm to prepare the 2023 and 2024 audits. The letter states that UAA secured an agreement with the firm to prepare the 2023 and 2024 audits. The letter states that UAA secured an agreement with the firm to prepare the 2023 and 2024 audits. The letter states that UAA secured an agreement with the firm to prepare the 2023 and 2024 audits. The letter states that UAA secured an agreement with the firm to prepare the 2023 and 2024 audits. The letter states that UAA secured an agreement with the firm to prepare the 2024 with the audits taking place in early 2025 through June 30, 2025. Section V(C)(3), Rules of Process and Procedure, Standards of Accreditation expressly states that financial statements must be received in the ACCSC office no later than the prescribed due date—June 30 of each year, per the school's December 31 FYE. ACCSC will not continue to wait for the school's financial statements. Failure to submit complete and properly prepared financial statements by the due date will result in late fees being assessed and any Commission action outlined in Section VII, Rules of Process and Procedure, Standards of Accreditation, including withdrawal of the school's accreditation.

As such, the Commission determined that the school's financial position demonstrates non-compliance with standards relative to school financial health and directs the school to submit the following:

- a. UAA's audited financial statements for the fiscal years-ended December 31, 2023, prepared in accordance with requirements set forth in ACCSC's <u>Instructions for the Preparation and Submission of Financial Statements and Related Information;</u>
- b. Internally prepared financial statements for the 9-month period of January 1, 2024 through September 30, 2024;
- c. UAA's FYE 2024 Budget with a budget-to-actual analysis for the 9-month period of January 1, 2024 through September 30, 2024;
- d. An updated MD&A narrative examining and explaining UAA's current financial condition;
- e. A signed commitment letter from UA, Inc. guaranteeing full financial commitment to UAA as the school returns to profitability as well as a commitment to teach-out all students should the need to do so arise; and
- f. Any other information or documentation that UAA believes will assist the Commission in its review of UAA's financial position.
- 2. UAA has failed to demonstrate that all information submitted for Commission consideration is done so within the required time frames. Specifically, the school failed to submit financial statements for the FYE 2023 by June 30, 2024, as required (*Section I* (H)(4) & Section VI (C)(1), Rules of Process and

Procedure, Standards of Accreditation). The Commission considered the school's submission history, in particular:

- The FYE 2022 audited financial statements were submitted over a year beyond the due date; and
- The school has yet to produce FYE 2023 audited financial statements and corresponding sustaining fees, as required.

In addition, the Commission's letters sent to the school since December 2023 went unanswered, save the school's April 26, 2024 extension request for the already delinquent responses, until the school responded to the Commission's May 28, 2024 Warning.

In reviewing this item of non-compliance, the Commission will consider both whether the information and documentation required is provided as well as the extent to which the materials address the area of non-compliance identified herein. Accordingly, the Commission directs school to submit the following:

- a. Formal policies and procedures developed to ensure that UAA and its ownership can meet the Commission's deadlines, particularly for the annual submission of financial statements, including the dates that the school commits to provide information to the auditor each year to ensure that the school can meet the Commission's annual submission deadline on an ongoing basis;
- b. A list of personnel responsible for the school's compliance with ACCSC's *Standards of Accreditation*; and
- c. A detailed explanation and description of any updates made to the school's internal policies regarding complying with ACCSC's accrediting standards since submission of the school's June 28, 2024 response.
- 3. UAA has failed to fulfill a Commission directive (Section I (G)(2)(c), Rules of Process and Procedure, Standards of Accreditation). At the May 2023 meeting, the Commission voted to cap the school's enrollment to 325 students due to unresolved questions regarding the school's financial soundness and significant growth over a short timeframe. The details regarding the cap enrollment order and the Commission's expectations of the school are outlined in the Commission's August 15, 2023 letter. In addition, in the Commission's February 28, 2024 letter, ACCSC reiterated the requirements of the enrollment cap directive. In response to the Commission's May 28, 2024 Warning, the school responded with a chart showing enrollment numbers by month since the Commission's August 15, 2023 letter was sent to the school. Upon review of the student population data, the Commission noted that not only did the school disregard the Commission's enrollment cap directive of 325, but over the course of the months following the directive, the school's population continued to grow from 338, when the cap was directed, to 382 in March 2024 (Id., pg. 46). The school is reminded not only that the enrollment cap directive remains in effect as of the date of this letter but also that, following the due process required by the Rules of Process and Procedure, Standards of Accreditation, the Commission may withdraw the accreditation of a school any time a school fails to comply with a Commission order or directive (Section VII (P)(1)(h), Rules of Process and Procedure, Standards of Accreditation).

In response, the school must submit the following:

- a. A description of the actions taken by UAA upon receipt of the Commission's May 28, 2024 Warning to meet the Commission's enrollment cap directive;
- b. An accounting of the student population trends going forward from May 2024, organized in the chart below; and

| Month/Year | Total Student Population/Enrollment |
|------------------|-------------------------------------|
| May 2024 | |
| June 2024 | |
| July 2024 | |
| August 2024 | |
| September 2024 | |
| October 2024 | |
| November 2024 | |
| December 2024 | |
| Date of Response | |

c. Copies of notices to prospective students applying for admission that the school was/is unable to enroll due to the enrollment cap, as applicable.

Additional Areas of On-Going Concern

1. UAA must demonstrate that the school has adequate management and administrative capacity in place and that the school ensures the continuity of management and administrative capacity through the reasonable retention of management and administrative staff (Section I (A)(1 & 4), Substantive Standards, Standards of Accreditation). Upon review of the school's record since the change of control transaction, the Commission noted that the school has had four campus directors in under four years and that these directors and other administrative staff have been unable to satisfy any of the concerns noted in the Commission's multiple deferrals and Warning actions. In addition, these staff have been unable to produce required submissions by the established due dates, most noticeably the school's annual financial statements and sustaining fees.⁵ Moreover, due to this turnover in management, UAA remains delinquent in submitting key information and fees required for the Commission's review and the school's continued membership.

Though UAA provided a response to the Commission's May 28, 2024 Warning, the school continues to be delinquent with financial statements and sustaining fees for FYE 2023, originally due June 30, 2024. In addition, the school's overall response did not satisfactorily address or assuage most of the Commission's concerns as discussed herein. The impression made by UAA's history to date and the most recent response continues to be that the school and its new owners still do not understand the seriousness of the ongoing issues and the Commission's requirements or the rigors of operating a school in compliance with ACCSC accreditation standards on an ongoing basis.

In the May 28, 2024 Warning, the Commission directed the school to describe the school's improvement activities implemented since the change of control and the current management's ability to lead and manage an ACCSC-member school. In the school's response, UAA summarized its plan to:

- Regularly engage in self-assessments and audits;
- Enhance training for staff relative to ACCSC's accrediting standards and best practices for managing an educational institution;
- Establish mechanisms for students, staff, and other personnel to provide feedback;

⁵ The schools sustaining fees for the fiscal year 2023 were due June 30, 2024. As of the date of the letter, the school still has not paid the sustaining fees.

• Establish and monitor performance metrics-though the school does not identify what they intend those to be; and appoint a dedicated person to serve as the "Continuous Improvement Committee," responsible for overseeing the implementation and efficacy of the school's improvement plans.

Upon review of the school's response, the Commission noted that the school's narrative appears more aspirational than an accounting of efforts the school has or is in the process of implementing. In addition, the school's response provides no evidence of analysis of the school's operations that lead the school to establish these plans. Further, the response lacks specificity in how and when the plan will be implemented or to what degree it has been.

Regarding the specific management members, UAA provided a brief discussion of the qualifications , CEO: and experience of , COO; Director of Student Services; and , Director of Finance; and a description of the support provided by , an employee of United Airlines. Upon review, the Commission noted that the discussion of the key management personnel does not appear to include or discuss how each of these individuals will support the school's improvement plan, given the experience and education they bring to their respective roles. The school's plan also does not address processes implemented and plans created for ensuring the continuity of the management. Further, the response asserts that the school's management is committed to professional development; however, outside of a registered for the ACCSC Renewal of Accreditation workshop and receipt showing that active engagement in "PMI," which the Commission interpreted to be project management training, the response omits any evidence of that commitment to ongoing professional development.

In addition, the Warning requires the school to submit supporting documentation to demonstrate sufficient management and administrative capacity. In response, the school provided a current organizational chart; a chart summarizing the school's staff tenure, which appears shows that the Chief Executive Officer role remained vacant from August 2023 to January 2024; job descriptions for executive, director-level, managerial and specialist positions; a document summarizing the services provided by Accreditation Guru; staff personnel reports for 19 leadership and administrative employees and the biographies of United Airlines Board members. In addition, the school's supporting documentation does not appear to support the assertion that all management are committed to professional development and have actually participated in training that would support their roles. In particular, the Staff Personnel Reports provided do not show ongoing commitment to training and development on the individual level. Finally, without the school submitting a dedicated plan for management continuity and retention and given that the included plan does not address it, the Commission remains concerned and questions whether the school has sufficient capacity to ensure continuous management with the appropriate combination of education and experience to operate an ACCSC-member school in continuous compliance with accrediting standards. This is also particularly concerning to the Commission, because the issues with UAA have been ongoing since the change of control and to that end, the school and its new owners have not fulfilled the requirement to demonstrate on-going compliance post transaction (Section IV (E)(2)(q)(iv), Rules of Process and Procedure, Standards of Accreditation).

Regarding the school's financial department, the Commission noted in the narrative description of qualifications and in the job description for the Director, Finance Controller located on page 932 of the school's response, the absence of a discussion regarding or consideration of the unique requirements for financial departments in post-secondary educational institutions, specifically with financial aid, educational financing, and scholarships. Upon review of the school's website and advertising—discussed more in depth below—the school asserted that "United and Chase will provide

\$2.4 million in scholarships to eligible candidates." The Commission questioned, given the lack of discussed experience in the post-secondary realm, how the scholarship has sufficient experience to effectively administer a financial program including educational financing, scholarship awards, etc. The Commission did note, however, on page 30 of the school's narrative, that discussion of financial aid assistance is the responsibility of Student Services, under the "Personal Support" umbrella. Upon consideration, the Commission found that neither the job description for

identifies who is responsible for the financial aid and assistance mechanisms of the school. As such, the Commission questioned whether the school has implemented sufficient systems for the administration of education financing, as applicable, and the consistent administration of scholarships.

As outlined above, the school's response did not quell the Commission's concern regarding the new owner's and current management's administrative capacity and demonstrated ability to lead and manage a post-secondary educational institution in compliance with ACCSC's *Standards of Accreditation*, per Section I (A)(1)(a), Substantive Standards, Standards of Accreditation.

In light of the Commission's serious concerns in this regard, the Commission directs the school to submit the following:

- a. A current organizational chart with names and positions;
- b. Formal job descriptions for all roles responsible for the administration/oversight of every operational area of the school; and
- c. A justification as to why the school and its owner believe the school meets ACCSC expectations for management and administrative capacity such that the Commission should find the school to be in compliance with accrediting standards and expectations;
- d. A description of improvement activities implemented since the new management team assumed their roles (i.e., January 2024);
- e. A copy of the school's strategic plan for achieving and sustaining compliance with accrediting standards;
- f. Evidence of the implementation of the plan to include documentation, such as certificates of attendance/completion for professional development activities for the school's individual management team members; receipts, contracts or reports from external vendors secured to support the administration of the school and the school's strategic plans;
- g. An explicit description and explanation of the school's policies and procedures that specifically relate to those personnel involved in the administration of educational financing and scholarships;
- h. The school's plan for the continuity of management to include supporting documentation to demonstrate the efforts already implemented;
- i. A thoughtful and detailed analysis of the school's management and improvement efforts and a discussion of any changes or additions born out of that analysis;
- j. Staff Personnel Reports for all directors and senior managers responsible for the daily operations of the school and the student experience, which clearly address and demonstrate that the current management has the ability to lead and manage a post-secondary educational institution in compliance with accrediting standards; ⁶

⁶ Available at <u>https://www.accsc.org/forms-and-reports/</u>. Search "Staff Personnel Report" using the "Search by Name" tool to download a fillable MSWord version of the form.

k. An updated Management Personnel Retention Chart for all director and manager level staff at the school since January 1, 2024, the transaction date, using the following format, and explicitly highlighting those responsible for the following: student financial aid, scholarships, and grants; admissions; student services; student academic progress, termination, and probation; academic oversight, including faculty hiring and assessment;

| Name | Title | Initial Date of | Initial Date of Employment for | Tenure of Service for Current Position | | Reason for Leaving/Termination | |
|------|------------|------------------|-----------------------------------|---|-----------------|-----------------------------------|--|
| Emj | Employment | Current Position | Yrs. | Mos. | (if applicable) | | |
| | | | | | | Ĵ. | |

- If the chart identified in item i above, shows additional turnover, an explicit discussion of the factors
 that lead to the turnover and the steps the school has taken to ensure continuity of management;
 and
- m. Any additional information that the school believes will assist the Commission in determining the school's compliance with accrediting standards.
- 2. UAA must demonstrate that the school is attentive to its students' educational and other needs as a means to support retention, maintains written policies and procedures, addressing student services, and makes students aware of such services (*Section VI (A)(1), Substantive Standards, Standards of Accreditation*). In response to the Warning on page 491, the school provided more contemporaneous student survey results, which demonstrate the following:
 - 21% expressed dissatisfaction with admissions;
 - 24% expressed dissatisfaction with financial aid;
 - 32% expressed dissatisfaction with academic progress;
 - 30% expressed dissatisfaction with student services; and
 - 25% expressed dissatisfaction with faculty.

The school's narrative appears to attribute the low satisfaction rates to the school's previous management, as it references that "the low scores reflected in the student survey can be in large part attributed to the experience of students in 2022 and 2023" (*Id.*, pg 16). However, while the narrative goes on to mention specific issues the students faced during that time that would impact satisfaction, such as ineffective student document management retention, and insufficient administration of a financial aid/ educational financing program, the response does not provide evidence to support that current student dissatisfaction is impacted by issues that happened 1-2 years ago and the steps that the school has taken have tangibly improved the student experience. In addition, the Commission noted that the survey results do not appear to include any student commentary, which caused the Commission to question whether the survey results provided were complete.

UAA noted that in March 2023, the school incorporated Element451, a client relationship management and student engagement software, to improve the school's record management and student engagement. Regarding admissions, the school's response asserts that this initiative allows the school to effectively maintain student records and provides a pathway for the admissions team to "[support] students from the application process through the first week of orientation when accepted into UAA. Request for Information (RFI) is provided as an option to all interested applicants via the admissions team" (*Id.*, pg. 16). In addition, the program allows admissions personnel to communicate with applicants regarding events, and to answer questions related to admissions, financing one's education at UAA, and providing additional facts and information prior to enrollment. Relative to financial aid, the school's response notes that, as of November 2023, the admission's team does not take part in the student loan/ education financing processes. Instead, the school created a dedicated role to address applicants' and current students' loan and financing inquiries and implemented student engagement sessions, during which the school discusses the payment options for the education provided by UAA and introduces students to finance-related information, including loans, cash-pay options, and scholarship opportunities. While the Commission noted this added process, the Commission also noted the school's practice of requiring students to direct all questions regarding loan repayment to the specific lender. The Commission also considered, as noted above, that the school's included job descriptions do not identify the personnel responsible for this consequential area of school operations. In addition, the school's narrative does not provide sufficient detail regarding how the school encourages and facilitates repayment of financial obligations (e.g. what information is being presented to students/applicants in these engagement sessions), including loans, as required by *Section I (E), Substantive Standards, Standards of Accreditation*.

Regarding academic progress and faculty concerns, the school outlined the current process for explaining the procedure for tracking academic progress during the students first week of orientation, during which time students are provided with information regarding lesson grades, line-item grades, and course completion requirements. In addition, the school tasks faculty with explaining the individual requirements and standards prior to each training activity. The school also detailed the Certificate Flight Instructor ("CFI") onboarding and regular training protocol, which includes grading standardization training; incorporating standardization and teaching content into weekly CFI meetings; flight tests with the Chief Flight Instructor or other appropriate personnel; observations at regular intervals; and developing a Quality Control team responsible for monitoring UAA's CFIs to ensure consistent grading practice. In addition, the school utilizes the Element451 software to create an Absence Request Form for students who cannot attend class and must request time away from campus. Finally, the school noted that students have access to real-time performance information through the same software that allows students to check their performance with training hours; sessions, complete with instructor notes; and lessons, including the status (i.e. satisfactory, unsatisfactory, or incomplete) and individual lesson grades. While the Commission noted the processes and tools currently in place, the school's response lacks analysis of the effectiveness of these procedures and tools, which is of particular interest to the Commission considering the most recent 32% dissatisfaction rate for this area.

On Page 20 of the school's June 28, 2024 response, UAA outlined the efforts made to improve student services at the school, including hiring three new student services representatives in the first quarter of 2024 and a Student Services Director, in June 2024-- a decision, which the school asserted has improved academic advising services. The school's response goes on to note that students are encouraged to participate in supplemental lessons, network with aviation organizations and professionals, and participate in events featuring guest speakers. Additionally, the school has established a mentor program, in which students are assigned a United Airlines pilot coach to assist with the transition to employment, and partnerships with airlines to provide a pathway for the school's CFIs to pursue employment advancement. In addition, the school detailed a multi-level approach to addressing student complaints. Moreover, the Commission noted in the narrative and in student service personnel job descriptions that the school provides counseling services through the Student Services Department; however, within the documentation provided, there is no evidence that the staff that perform these functions are appropriately credentialed to do so. The Commission expressly reminds UAA that "an individual providing counseling services must have an appropriate license, credential, or training and work experience in the area of counseling" per the requirements of Section VI (A)(3)(c), Substantive Standards, Standards of Accreditation. Considering the lingering 30% student dissatisfaction rate in

this area, ongoing questions regarding the qualifications of those offering counseling services, and the limited detail provided in the response, the Commission questioned the efficacy of the school's efforts, particularly because the school's response does not provide an adequate explanation as to why, given the initiatives recently enacted, student satisfaction remains at only 70% in this area.

Finally, the school provided meeting minutes for the Student A.C.T.I.O.N Committee meeting on March 1, 2024; however, the minutes include many acronyms without a key to inform the Commission of their meaning, and the minutes do not demonstrate discussion or sufficient feedback collection. The documentation provided is more akin to an agenda than a sufficient record of the meeting.

In general, the Commission noted that the school's response to this area of concern reads more like a narrative list of the actions taken, instead of a thoughtful analysis that explains to the Commission how the school arrived at the plans and actions it intended to take to improve student satisfaction. In addition, though the Commission voted to close the individual complaints listed above for reasons specific to those complaints, the Commission remains concerned with the school's ability to functionally analyze the data received through student satisfaction surveys and use that analysis as a means to inform decision making, particularly in the areas of academic progress and faculty. A simple tally of the survey results seems insufficient given all of the areas addressed in this letter. Concordantly, the Commission questioned why, in light of the actions the school indicated it has taken, student satisfaction appears to remain low.

Based on the foregoing, the Commission directs the school to administer an additional student survey using ACCSC's student satisfaction survey mechanism, by distributing the following instructional paragraph and survey link to UAA's entire current student body and copying

As part of the review of the institution, the Accrediting Commission of Career Schools and Colleges (ACCSC) requires United Aviate Academy in Goodyear, Arizona to collect feedback directly from students regarding their experience with the institution. Please know all answers are anonymous; however, the results as well as any comments provided are shared with the Commission and school staff as part of a quality assessment of your school. The survey takes approximately 5 to 10 minutes to complete, and can be completed using a smartphone, tablet, or computer. The questions are organized by topic, and answers should be based on your general experience with the institution. With that being said, each section of the brief survey is on a different page. The last question is a request for overall/additional commentary. If you would like to be more specific or elaborate in an area, provide a detailed comment at the end of the survey.

The school may access the raw survey data in real time by clicking and entering passcode:

The Commission also directs the school to provide the following:

- Survey results from the last two internally administered student satisfaction surveys; a.
- b. Meeting minutes from the most recent town hall meeting;
- Meeting minutes from the most recent ACTION ("SAC") council meeting; c.

- d. A detailed description of the actions taken upon review and analysis of the student feedback results both from the town hall and the A.C.T.I.O.N council meeting, and supporting documentation, such as receipts;
- e. Other evidence that the school gave consideration to the information gleaned from the town hall, as application; and
- f. Any additional information that the school believes will assist the Commission in determining the school's compliance with accrediting standards.
- 3. UAA must demonstrate that the school supports reported student achievement rates through verifiable records and documentation of initial employment of its graduates and that the employment classification is verified by the school (*Section VII (B)(3) & Appendix VII Guidelines for Employment Classification, Substantive Standards, Standards of Accreditation*). In response to the Commission's Warning, UAA noted in the narrative response that the school has overturned the previous administration's practice of employing students to work as CFIs prior to graduation; and the current administration's practice is to allow current students to interview for CFI positions with UAA prior to graduation, but those who interview are not offered employment until after graduation. In addition, the school provided records of initial graduate employment for ten graduates who gained employment in the career field for which the school provided education. Upon review of the information provided and in consideration of the Commission's understanding that the new administration assumed their roles in January 2024, the Commission found that the documentation provided does not, in fact, demonstrate consistent adherence to a sufficient process. In particular, the school's response does not include policies and procedures for verifying graduate employment, but rather simply asserts that UAA has discontinued the practice of hiring current students.

Additionally, the Commission questioned whether the list of graduates provided were, in fact, the ten most recent graduates, as the dates of graduation range from April 2023 to May 2024. The school's most recent Annual Report submission shows the Professional Pilot Program ("PPL") to be 12 months in length and reports that the school had 216 enrollments as of July 1, 2023 and enrolled 327 additional students between July 1, 2023 and June 30, 2024. Given the reported size of the school's student population, the Commission questioned why the school had to pull from April 2023 to compile a list of the 10 most recent graduates who gained employment in the career field. Further, the Commission noted that eight of the ten records appear to show employment commencing prior to graduation and of those eight records, two (graduates and state) appear to have been hired after the new administration was in place.

Lastly, upon review of the school's records of initial graduate employment, beginning on page 882 of the school's June 28, 2024 response, the Commission noted that all employment records were created on June 18, 2024, which does not show that the school has committed to an ongoing process to verify employment in compliance with accrediting standards.

Accordingly, the Commission directs the school to submit the following:

- a. An explanation for why the school pulled graduates from April 2023 in a sample of the ten most recent graduates;
- b. The school's policies and procedures for documenting and verifying initial employment of graduates, highlighting any updates made since the submission of the school's June 28, 2024 response, and identifying how the school determines that employment is sustainable;

- c. A copy of the school's current Employment Verification Form or other tool used to verify employment;
- d. A list of the 10 most recent graduates who gained employment in the career field for which the school provided education using the following chart:⁷

| Count | Student ID | Program | Start Date | Grad. Date | Place of Employment, Address, & Phone # | Date-Initial Empl. | Descriptive Job Title |
|-------|---------------|---------------------|---------------|------------|---|-----------------------|--------------------------|
| 1 | 12345 | Commercial Pilot | 5/1/2022 | 4/10/2023 | ABC Airlines, 123 Sample Way, Anywhere, MD 222.333.1234 | 6/1/2023 | Pilot |
| 2 | 12356 | Commercial Pilot | 5/1/2022 | 4/10/2023 | XYZ Airlines, 456 Maple Dr. Somewhere, VA 333.444.5678 | 7/15/2023 | Pilot |

- e. Supplementary information for each graduate identified in the chart (d.) above:
 - A copy of the school's completed verification form for each graduate employed;
 - For each graduate classified as self-employed, provide a signed statement from the graduate verifying that the employment is valid which includes the following:
 - The graduate's name and contact information;
 - An attestation that the graduate's self-employment is aligned with the individual's employment goals, is vocational, and is based on and related to the education and training received;
 - o An attestation that the graduate is earning training-related income; and
 - In cases where licensure is required for employment, an attestation that such licensure has been achieved; and
 - For each graduate classified as "career advancement," provide supporting and verifiable documentation for each graduate to include a signed statement from the graduate or employer acknowledging that the training allowed the graduate to maintain the employment position due to the training provide by the school or that the training supported the graduate's ability to be eligible or qualified for advancement due to the training provided by the school; and
- f. Any additional information that the school believes will assist the Commission in determining the school's compliance with ACCSC's requirements.
- 4. UAA must demonstrate that the school has and applies a fair and equitable refund policy in compliance with state or third-party requirements, or in the absence of such requirements in accordance with generally accepted practices (*Section I* (*D*)(3), *Substantive Standards, Standards of Accreditation*). In response to the Commission's Warning, UAA provided a copy of the school's refund policy as published in the catalog and enrollment agreement, as follows:

For a student withdrawing from or discontinuing the course at any point during the course, the tuition charges refunded by the school shall be 100% of the tuition for the days remaining in the enrolled course beyond the last date of attendance. The refund is made within **90 calendar days of the official withdrawal date** (emphasis added). Regardless of their payment method, all students are subject to the same refund policy. Information concerning refunds for direct billing arrangements can be obtained from the Financial Services Office (Id., pg. 1063).

⁷ These graduates should be the most recently placed graduates. This required information is unrelated to the employed graduates represented in the graduation and employment chart required above.

Upon review of the school's refund records, beginning on page 497 of the school's June 28, 2024 response, the policy does not appear to align with information included on other documents included within the school's response. Specifically, the Refund Report Worksheet identifies the maximum number of days for which the school must disburse refunds as 30 days. In addition, the refund paperwork appears to be incompletely filled out, and the student ledgers do not provide a clear illustration of the tuition and fees charged per student and what was refunded or on what amount the refund calculation was based. For example, on page 498, the school provided what appears to be a ledger for former student .; however, this ledger has no entries: no evidence of tuition or fees charged or collected; yet on page 500, there appears to be another ledger for this same student that shows charges and payments. Upon review of the second ledger, the Commission could not see that any tuition charges were applied and refunded. In fact, there is no reference to tuition or instruction, outside of one \$40.00 charge for instruction and one \$1.650 charge for student on-boarding. In light of this, the Commission could not ascertain what the refund amount was based on for this former student. The other student ledgers follow suit. Further, upon review of the fees outlined in the school's catalog, the school does not appear to be charging the students all fees disclosed in the catalog, such as the fees for the FAA knowledge exams; yet, UAA does appear to be charging students for fees that are not disclosed in the school's tuition and fees section of the catalog (e.g., the \$1,650 charge for student onboarding). Moreover, the Commission's February 28, 2024 Deferral requires the school to submit copies of the executed enrollment agreements for the students identified in the school's response; yet, the school's response omits them entirely. As such, the school's response does not demonstrate that the school charged the tuition and fees outlined in the enrollment agreements for these former students; and given the discrepancies among the student ledgers and the published fees and tuition schedule in the catalog, the Commission remains concerned regarding the school's policies and procedures relative to tuition, fees, and refunds.

Lastly, the school provided a link to the State of Arizona's refund policy requirements for private, postsecondary schools operating within the state and included the state's requirements for private, nonaccredited institutions within the response. Upon review of the narrative response, the regulations do not apply to UAA because of the school's current ACCSC-accredited status. Upon visiting the link included, the Commission learned that Arizona's requirements relating to refunds for private, accredited institutions are as follows:

Refunds will be issued within 30 days of the date of student notification, or date of school determination (withdrawn due to absences or other criteria as specified in the school catalog), or in the case of a student not returning from an authorized Leave of Absence (LOA), within 30 days of the date the student was scheduled to return from the LOA and did not return (REFUND POLICY to Comply with R4-39-404, published by the Arizona State Board for Private Postsecondary Education).⁸

As such, it does not appear that the school's refund policy aligns with the requirements of the State of Arizona, as required by Section I (D)(3), Rules of Process and Procedure, Standards of Accreditation.

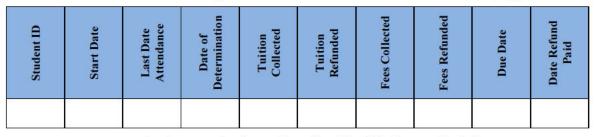
Upon consideration of the school's inconsistent tuition and fees policies and documentation, unclear refund calculations, conflicting documentation, and failure to identify the appropriate state law governing the school's refund policy, the Commission's concern regarding the school's ability to appropriately administer financial functions is heightened. Additionally, the Commission questioned to what extent these issues are a direct result of the school's apparent lack of personnel with relevant

⁸ <u>Cancellation and Refund Policy | Private Postsecondary Education (az.gov)</u>

experience in managing financial processes appropriate for post-secondary educational institutions, as originally discussed on page 11 of this letter.

Based on the foregoing, the Commission directs the school to submit the following:

- a. A description of any changes or updates made to the school's refund policy;
- b. The school's full and complete refund policy as published in the catalog and enrollment agreement, which clearly demonstrates compliance with third-party requirements;
- c. A copy of the Arizona State Board for Private Postsecondary Education refund requirements;
- d. A list of the 10 most recently withdrawn students who were owed a refund, organized as below:



- e. An ACCSC Refund Report for the students listed in (d.) above to include:
 - i. Refund Report Summary Sheet;
 - ii. Refund Report Worksheet;
 - Student ledgers for each of the students demonstrating tuition charges applied, other fees charged, tuition funds paid, refunds issued;
 - iv. Executed enrollment agreements for the ten students noted in item d. above; and
 - v. Documentation of refunds, e.g., copies of all electronic refund transactions, refund checks front and back and any other methods used for the purpose of student refunds;
- f. An explanation for any student for whom a refund was made outside of the school's established policy, such as completing 100% of the program;
- g. The school's catalog with specific references to the school's tuition and fees, payment policies, and refund policies; and
- h. Any additional information that the school believes will assist the Commission in determining the school's compliance with accrediting standards.
- 5. UAA must demonstrate compliance with accrediting standards relative to advertising, as noted below. In the May 28, 2024 Warning, the Commission summarized that UAA's previous responses provided narrative intentions of doing a fulsome review of the advertising and promotional materials against the requirements of the standards; however, the response provided no evidence of this review or any remedial action taken as appropriate. As such, the Commission directed the school to provide copies of all advertising; justifications for the use of superlative language; a discussion of advertising materials that appear to guarantee employment; and any additional relevant information. In response, the school noted that:

UAA's Marketing and Communications team is now aware of the accreditation requirements regarding advertising. UAA has now established a process of requiring approval of all

proposed advertising materials to ensure compliance with the accreditation requirements. No advertisement will be published in the absence of this review approval (Id., pg.5).

Upon review of the school's response and supporting documentation, the Commission noted that the school's advertising assessment efforts fell remarkably short and questions the effectiveness of the school's new approval process, as many of the issues outlined in the Commission's August 15, 2023 and February 28, 2024 Deferral actions remain. In addition, the school claimed the following:

Currently, UAA has no outside advertising other than its website and commercial linked below: <u>United Aviate Academy | Chart an extraordinary course</u> <u>United – Training the Next Generation of Elite Pilots</u> (youtube.com) (Id., pg. 37).

However, the Commission noted upon review of the school's response and information available to the public that, though prompted to provide copies of all advertising for the Commission's review, the school did not include advertisements for UAA published to the social media accounts of the new owner: United Airlines. The Commission urgently reminds UAA that school owners are the entities ultimately responsible for the school's response and as available to the public, in particular the school's website, the Commission noted the following:

- a. UAA must demonstrate that all advertising, promotional materials, statements, and claims are truthful and accurate and avoid leaving any false, misleading, misrepresenting, or exaggerated impressions (*Section IV (B)(1), Substantive Standards, Standards of Accreditation*). In particular, upon review of UAA's website, the Commission found the following phrases:
 - Get trained at our facility with access to **industry-leading** (emphasis added), equipment, accommodations, and a wide variety of flight conditions (UAA website, as of October 7, 2024).
 - *At United Aviate Academy, we will provide the best flight training* (emphasis added) to *prepare you for a safe and successful career as a pilot* (UAA website, as of October 7, 2024).

The school's response does not provide any narrative justification as to how the school and its training programs maintain "industry-leading" and "best flight training" status. In addition, the Commission found the school's explanation that "UAA worked with the Marketing and Communications team at United to remove any superlative language or any promise of employment" to be unconvincing, in light of the continued advertising issues outlined herein.

- b. UAA must demonstrate that advertising of financial aid and scholarships includes an eligibility phrase (e.g., financial aid available for those who qualify) (*Section IV (B)(7), Substantive Standards, Standards of Accreditation*). Upon review of the school's website, the Commission noted that the school's published discussions of the financial aid and scholarships available to applicants and students are not consistently disclosed with an eligibility phrase, as required. For example, the Commission noted the following claim on the school's main landing page: "United is partnering with these organizations to offer you scholarships" followed by a list of contributing/awarding entities (UAA website, as of October 7, 2024).
- c. UAA must demonstrate that school personnel, advertisements, and promotional materials only provide information pertaining to potential salary that accurately portrays the normal range and starting salaries in the occupation for which training is provided. Salary information must also include the source of the information, which is valid (*Section IV (B)(5), Substantive Standards, Standards of Accreditation*). The following claim is on the school's website, but there does not appear to be any additional information or citation to substantiate this claim.

We're in the business of breaking down barriers and we want the pilot population—**some** of the highest paying jobs in the industry (emphasis added)—to be open to a much more diverse pool of candidates.

- d. UAA must demonstrate that all advertising and promotional materials clearly indicate that education, and not employment, is being offered. No overt or implied claim or guarantee of individual employment is made at any time and any references to employment or salary prospects must be accurate and sourced (*Section IV (B)(2), Substantive Standards, Standards of Accreditation*). Again, upon review of the school's website, the Commission noted phrases that continue to suggest that employment is guaranteed for any student who enrolls. Please see the following examples, pulled directly from the school's website.
 - At United Aviate Academy, your dreams of becoming a pilot have never been more possible. Join our flight training academy and be part of the next generation of highly qualified, talented and diverse professional pilots (Id.).
 - An exciting and financially rewarding career as a pilot awaits you, and it all starts by enrolling at United Aviate Academy (Id.).
- e. UAA must demonstrate that the school does not use endorsements from currently enrolled students in promotional activities or advertisements (*Section IV (B)(4)(a), Substantive Standards, Standards of Accreditation*). Though the YouTube link provided in the school's response appears to lead to a private video, and thus the Commission could not review it, the Commission did note that on the new owner's YouTube Channel (<u>https://www.youtube.com/@united</u>), the school appears to be advertising with current student testimonials. In particular, the Commission noted the YouTube content featuring the testimonial from current student

Overall, the Commission expressed apprehension regarding the school's understanding of accrediting standards relative to advertising. Of particular concern is that the school posited that a full review of the school's outward facing materials had been conducted and adjustments had been made; however, in light of the issues outlined above, the school did not demonstrate that those responsible for the school's advertising and compliance with accrediting standards have sufficient knowledge or processes in place to conduct a consequential review and implement changes necessary to achieve and sustain compliance in this regard.

Based on the foregoing, the Commission directs the school to submit the following:

- a. Copies of all school advertising, including the school's website and any advertisements posted to the owner's website and/or social media platforms;
- b. For any superlative language, provide a justification and evidence to support the school's claims or show that the school has ceased using such language;
- c. For any reference to employment, a demonstration that a guarantee (direct or implied) of employment is not being made; and
- d. Any additional information that the school believes will assist the Commission in determining the school's compliance with accrediting standards.

⁹ <u>https://www.youtube.com/watch?v=axi546uyUYA</u>

PROBATION REQUIREMENTS:

In cases where the Commission has reason to believe that a school is not in compliance with accreditation standards and other requirements, the Commission may, at its discretion, place a school on Probation. A school subject to a Probation Order must demonstrate corrective action and compliance with accrediting standards. <u>Failure of the school to demonstrate compliance with accrediting standards or other accrediting requirements by the due date set forth herein may result in a revocation of accreditation action.</u>

The Commission will not consider substantive changes, a change of location/relocation, or additions (i.e., separate facilities, new programs) to a school or its separate facilities while the school is on Probation. However, a school that is subject to Probation may seek the Commission's approval for the transfer of accreditation that would result from a change of ownership as described in Section IV, Rules of Process and Procedure, Standards of Accreditation (Section VII (L)(6) Rules of Process and Procedure, Standards of Accreditation).

In accordance with *Section X, Rules of Process and Procedure, Standards of Accreditation*, the reasons for the Probation Order is made public and provided to the U.S. Department of Education, appropriate State agencies, and appropriate accrediting agencies.

Teach-Out Plan Requirement:

Given the serious nature of the issues outlined herein, the Commission directs the school to provide an <u>Institutional Teach Out Plan Approval Form</u>, which must be submitted as part of the response for the items listed above.

MAXIMUM TIMEFRAME TO ACHIEVE COMPLIANCE:

According to Section VII (M), Rules of Process and Procedures, Standards of Accreditation, where the Commission has found an area in which the school is out of compliance with accreditation standards or requirements, the Commission will establish a maximum timeframe for the school to remedy the noncompliance or cure the deficiency. Based on the fact that the primary issue is the school failure to submit timely reports to ACCSC and to demonstrate the school's financial soundness over a significant period and after several requests, the maximum timeframe allotted for UAA to achieve and demonstrate compliance with the Standards of Accreditation goes through to the Commission's review at its February 2025 meeting. Minimally, good cause to extend the maximum time frame requires the school to show that:

- a. During the period of review, significant progress has been made toward achieving compliance with the accreditation standard(s) in question;
- b. The school is otherwise meeting all other requirements set forth by the Commission; and
- c. When extenuating circumstances exist such that only through the provision of additional time can the school demonstrate its compliance with the standard(s).

Notification to Students:

Within **seven days** of receipt of the Probation notification and for the duration of that action, the school must:

- a. Inform current and prospective students in writing that the school has been placed/continued on Probation and provide such notice on the school's website;
- b. Provide a summary that accurately describes the reasons for the Probation; and

c. Provide the uniform resource locator (URL) where that action can be obtained from the Commission's website.

The school must **within seven days** inform current and prospective students in writing that the school has been placed/continued on Probation, provide a summary of the reasons for the Probation, and indicate where that action can be obtained from the Commission's website. (*Section VII (L)(7) Rules of Process and Procedure, Standards of Accreditation*).

RESPONSE REQUIREMENTS:

By applying for accreditation, a school accepts the obligation to demonstrate continuous compliance with the *Standards of Accreditation*. While the Commission employs its own methods to determine a school's compliance with accrediting standards, the burden rests with the school to establish that it is meeting the standards. The Commission's deliberations and decisions are made on the basis of the written record and thus a school must supply the Commission with complete documentation of the school's compliance with accrediting standards.

UAA must provide a response to the items expressed above that provides the information requested along with any additional information that the school believes supports a demonstration of compliance with accrediting standards.¹⁰ If the school's response contains documentation that includes personal or confidential student or staff information that is not required for the Commission's review (e.g., social security numbers, dates of birth, etc.), please remove or redact that information.

UAA must upload the school's electronic response directly to ACCSC's College 360 Database. The ACCSC College 360 database can be accessed by <u>clicking here.</u> Please note that the password utilized by the institution to access the Annual Report Portal is the same to access the School Submission section of the College 360 database. The Instructions for College 360 DMS Submissions can be found <u>here.</u> A detailed overview on how to upload a school submission can be found <u>here.</u>

Keep in mind, the school's response must be prepared in accordance with ACCSC's Instructions for Electronic Submission (e.g., prepared as one Portable Document Format ("PDF") file that has been prepared using Adobe Acrobat software (version 8.0 or higher) and which has a .pdf extension as part of the file name). The school will receive an e-mail confirmation that the file has been received within 24 hours of the submission.

The school's response must also include a signed certification attesting to the accuracy of the information and be received in the Commission's office <u>on or before January 15, 2025</u>. If a response, the required fee, ¹¹ and the certificate of attesting to the accuracy of the information is not received in the Commission's office <u>on or before January 15, 2025</u>, the Commission will consider further appropriate action.

In addition, the school has been assessed two late fees for the delinquency of the annual financial statements and corresponding sustaining fees. The school must remit payment of \$2,500—\$1,500 in late fees plus the \$1,000 Probation Processing fee—within 15 days of receipt of this letter.

¹⁰ ACCSC has resources for submitting a well-documented and organized response for Commission consideration. As a reminder *Section I (H)(1) Rules of Process and Procedure, Standards of Accreditation*, states that all submissions and notifications must be organized as required by the *ACCSC Instructions for Electronic Submission*. More information is available on the <u>ACCSC website</u> under <u>Resources</u> and <u>Forms and Reports</u>.

¹¹ ACCSC assesses a \$1,000 processing fee to a school placed on Probation.

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For assistance with the password or for any other questions regarding the electronic submission requirements, please contact **and the electronic submission** or **and the electronic submission**. Please note that any password requests to access College 360 must be made by the school director, or designated member of the school's management team, via e-mail.

| For assistance or additional information, p | please contact me at | or | |
|---|----------------------|----|--|
|---|----------------------|----|--|

Sincerely.

| Executive Director | |
|--------------------|--|

c:

Encl. ACCSC Refund Report Summary Sheet ACCSC Refund Report Worksheet

ACCSC REFUND REPORT SUMMARY SHEET

School Name:

School Number:

Refund Report Date Range:

| Student Name | Start Date | Last Date of Attendance | Date of Determination of Withdrawal / Termination | Refund Due Date | Date Refund Paid* |
|--------------|------------|----------------------------|--|-----------------|----------------------|
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*This is the date that the refund was distributed to or received by either the student or applicable funding source.

REFUND REPORT WORKSHEET

A separate worksheet must be completed for <u>each</u> refund made within the time period specified by the Commission.

| Name of Student: | Date of Enrollmen | t: |
|---|-------------------------|----|
| The maximum number of days for which the school must disburse refunds, as defined in the school's refund policy: Based upon the school's refund policy, select (a) or (b) be the school used to calculate the number of days required to d | elow and enter the date | |
| (a) Last date of attendance | | |
| (b) Date of determination of termin | ation/withdrawal | |
| Date of refund disbursement: | | |
| The actual number of days between (a) or (b) above an disbursed the refund: | nd the date the school | |

Attach to this worksheet a detailed explanation for why the refund was late (if applicable).

| Length of program or period of enrollment: | |
|---|----|
| Percentage of program or period of enrollment completed: | % |
| Total tuition for program or period of enrollment: | \$ |
| total amount of tuition collected: | \$ |
| percentage of total tuition collected: | % |
| percentage of collected tuition retained (c): | % |
| percentage of collected tuition refunded (d): | % |
| Amount of refund | \$ |

Attach to the school's submission:

□ One copy of the school's withdrawal/refund policy and attendance policy, as it appears in the school's catalog, must accompany the school's submission. If the school uses one or more state refund policies, please attach a copy of each state's refund policy. One copy per state will suffice for the entire Refund Report.

□ The Refund Report Summary Sheet for all refunds included in this report.

Attach to this worksheet:

- Copy of the calculation sheet(s) showing how the refund was calculated,
- Copy of the front and the back of the refund check(s) or electronic transmission document(s).

THE REFUND REPORT WORKSHEET GLOSSARY

Name of student: As it appears on the signed Enrollment Agreement.

Date of enrollment: The date the Enrollment Agreement was signed.

Last date of attendance (a): The last day the student attended class.

Date of determination of termination/withdrawal (b): The date the student's enrollment was terminated either by voluntarily withdrawal or by termination by the school.

Date of refund disbursement: The date the refund check was processed and disbursed or electronically transmitted (Pell accounts).

Length of program or period of enrollment: The total length of the program, or period of enrollment for which tuition is charged, measured in either weeks, months, or clock hours, whichever is most appropriate for refund calculation purposes.

Percentage of program or period of enrollment completed: Length of the total program, or period of enrollment for which tuition is charged, completed divided by the amount of the length of the program or period of enrollment for which tuition is charged uncompleted.

Total tuition for program or period of enrollment for which tuition is charged: The total tuition cost for the program, or period of enrollment for which tuition is charged. This amount does not include application fees, books, supplies, uniforms, etc., unless those items are completely refundable by the school.

Total amount of tuition collected: The amount of refundable monies collected.

Percentage of total tuition collected: The percentage of refundable monies collected.

Percentage of collected tuition retained (c): The percentage of refundable monies collected that was retained by the school for training received by the student.

Percentage of collected tuition refunded (d): The percentage of refundable monies collected that was returned to the student, or to financial aid accounts on behalf of the student, for training which was purchased but not received by the student. Items (c) and (d) should total 100%.

Amount of refund: The dollar and cents amount of the refund.