

June 5, 2013

Ms. Karen L. Solinski  
Vice President for Legal and Governmental Affairs  
Higher Learning Commission  
230 South LaSalle Street, Suite 7-500  
Chicago, IL 60604-1411

Dear Ms. Solinski:

Thank you for removing Tiffin University's application for Change of Control, Structure or Organization from the agenda for the June 2013 meeting of the HLC Board of Trustees. We look forward to working with you to develop a plan that will be in the best interests of the students, will meet all HLC policies and procedures, and will be appropriate for the future of Tiffin University (TU). The following information is provided in response to your letter dated June 24, 2013:

**1. Organizational Structure**

TU's current organizational chart is attached. Ivy Bridge College of TU is an academic unit that operates in the same way as our other four schools (School of Arts and Sciences, School of Business, School of Criminal Justice and Social Sciences, and School of Graduate and Degree Completion Programs). The Dean of Ivy Bridge College reports directly to our Vice President for Academic Affairs (VPAA) and participates with the other deans in weekly meetings with the VPAA. The full-time and adjunct faculty members are all TU faculty members who are treated the same way as all TU faculty members in regard to all personnel policies and procedures. As with the four other schools, any curricular changes must be approved by the University Curriculum Committee and then by the full Faculty.

The staff members who process financial aid for students enrolled in our online associate's degree programs have always been TU employees and they now report directly to TU's Director of Financial Aid. The staff members who handle the registration and records function for our online associate's degree students have always been TU employees and they now report directly to TU's Dean of Academic Support Programs. The Bursar function for our online associate's degree students has always been and continues to be part of TU's Business Office, which is supervised by TU's Vice President for Finance and Administration. The previous position of Campus Executive Officer has been eliminated.

As with the terms "School of Arts and Sciences", "School of Business", "School of Criminal Justice and Social Sciences", and "School of Graduate and Degree Completion Programs", the term "Ivy Bridge College" has no independent legal status. They are all academic units of Tiffin University. When the original legal documents were developed, the name of the LLC was Ivy Bridge College, LLC, so the term "Ivy Bridge College" was used frequently in the original documents to mean the

LLC. However, the name of the LLC was subsequently changed to Altius University, LLC, so whenever you see “Ivy Bridge College” in the original documents, you should now interpret this to mean Altius University, LLC.

**2. Bachelor’s and Master’s Degree Programs**

The only TU degree programs that are delivered through Ivy Bridge College of TU are our online associate’s degrees. The BA in Professional Studies program and two concentrations within our MEd program that were to be delivered through Ivy Bridge are now being delivered through our School of Graduate and Degree Completion Programs. Attached as evidence are copies of letters that were sent to students who are enrolled in these programs, as well as the appropriate pages from TU’s website and the website for Ivy Bridge College of Tiffin University. If you are aware of any information to the contrary, please let me know and we will correct it immediately.

**3. Joint Venture (Altius University, LLC)**

My letter to you dated June 14 indicated that “Tiffin University and Altius Education, Inc. (AE) will terminate the joint venture (Altius University, LLC) pursuant to the terms of the contracts”. TU plans to transfer our existing 20% equity in AU, LLC to AE, effective December 31, 2013, so TU will no longer have any ownership or involvement in the LLC after that date and there will no longer be a joint venture between TU and AE. AE will own 100% of AU, LLC and, it is my understanding that they may use this business entity for other purposes in the future that do not involve TU. TU has certain legal obligations based on the existing contracts, so winding down the joint venture over the next six months will provide for a smooth transition that will not disrupt the educational experience for our students. Please let me know if this is acceptable and, if so, I will send you copies of the document transferring TU’s 20% equity to AE as soon as it has been signed.

**4. Future of TU’s Online Associate’s Degree Programs**

TU plans to continue offering our existing associate’s degree programs in both the seated and online formats. Assuming that the HLC expectation is that there will be a “teach out” plan for those students where there is a financial obligation between TU and AE arising under the joint venture mandates, we propose that (a) all of the students who are still enrolled as of December 31, 2013 will be “taught out” and (b) the only new students who will be considered for admission after December 31, 2013 would be individuals who are not U.S. citizens and, therefore, not eligible for Title IV federal financial aid funds. We believe that individuals who live outside the U.S. and who meet our admission criteria (including specific scores on the TOEFL or related tests of English language proficiency) would benefit from continuing to live in their home countries while enrolling in high-quality online associate’s degree programs that would prepare them to transfer to bachelor’s degree programs at U.S. colleges and universities. Since these students would be ineligible for federal financial aid, TU would not assume any risk related to loan defaults. If this plan is acceptable, I will send you the specific teach out plan.

## 5. Possible Future Contractual Relationships

TU has begun a process to consider proposals by several companies to provide marketing services (lead and vendor management, call center, and re-enrollment services) for our online bachelor's and master's degree programs (on a fee-for-service basis) and to serve as a recruiting agency to help TU enroll international students (on a payment per-student basis) in our associate's, bachelor's, and master's degree programs. We expect that there would be a contract for each of these two functions and that we will either partner with one vendor to handle both contracts or with one vendor for one contract and a different vendor for the other contract. These services would not include instructional design, academic advising, or any responsibilities related to academic, financial aid, registration and records, and bursar functions. Based on my understanding that HLC will need to approve these contracts, I will send the proposed agreements to you once the agreements with the proposed vendors have been drafted. AE may be able to provide these services as part of its new business model. May we consider AE, along with other possible vendors, for one or both of the contracts, based on the understanding that this will require HLC approval?

## 6. Other Issues

The following information is provided in response to two issues that were included in your letter. Hopefully, these issues will no longer be relevant once we work out a solution that is acceptable to you regarding the above issues, but I felt obligated to mention these for the record.

### a. Information Provided to HLC as Part of the 2009-10 Process for Continuing Accreditation

Your letter stated that "While it is clear, as noted in the Staff Summary Report, that the 2010 evaluation team was aware of some arrangements regarding "Ivy Bridge College", it is not clear that the team understood that a joint venture or separate corporation had been formed even though the complex legal documents (Joint Venture Master Agreement; Licensing Agreement; Program Agreement, etc.) related to these arrangements may have been available to the team". I believe that Tiffin University was totally open and transparent about the details of the Ivy Bridge arrangements, so I respectfully suggest that it is not an incident of default in Tiffin's compliance if the visiting team did not interpret this information or follow-up in the way that HLC might expect today. All of the legal documents were provided to the team for its review, our self-study report described the joint venture, my colleagues and I discussed this arrangement with the team, and the team met with staff and faculty members at our Toledo facility.

### b. Payment of Instructors

Your letter stated that "The reimbursement of Ivy Bridge faculty salaries paid from Tiffin accounts made the joint venture (or LLC) the employer in practice and thereby a contractual partner involving 25% or more of an academic program". We respectfully disagree with this allegation and conclusion since, at all times, each and every full-time and adjunct faculty member engaged in the delivery of TU courses through Ivy Bridge College of TU was hired by TU, paid directly by TU, and treated in every way the same as all other TU faculty members. Prior to our decision to discontinue any plans to pursue independent accreditation, the contracts for full-time faculty who taught courses in the online associate's degree programs had exactly the same language as the contracts for all other full-time TU faculty members, except that there was

additional language that indicated that if Ivy Bridge became an independently-accredited institution, TU would not be obligated to continue their employment beyond the academic year in which independent accreditation was achieved. Now that we will not pursue independent accreditation, the contracts for full-time faculty members who teach TU courses through Ivy Bridge have exactly the same wording as all other full-time TU faculty members. If you would like evidence of this, I would be pleased to provide it upon written receipt of your request.

Again, thank you for your willingness to work with us. I look forward to hearing from you regarding the above information and questions, and I will be glad to provide any additional information that may be helpful and/or travel to Chicago to discuss with you in person how we should proceed. I assure you that Tiffin University will do whatever is appropriate to resolve any concerns that you may have so that we may move forward in full compliance with HLC policies and regulations. Thank you.

Sincerely,

Paul Marion

cc: Robert R. Appleson, Vice President for Accreditation Relations, HLC