



June 24, 2013

Dr. Paul Marion, President
Tiffin University
155 Miami Street
Tiffin, OH 44883

Dear President Marion:

I am writing in response to your letter of June 14 officially withdrawing your application for Change of Control, Structure or Organization. At your request, we have removed this item from the Board's agenda for its June 2013 meeting so we can seek clarification and documentation regarding information in your letter. It may return to the Board's agenda for a future meeting depending on what the Commission subsequently learns from this communication.

Status of the Joint Venture and the Limited Liability Corporation.

You have indicated that the joint venture will be terminated, but you provide no supporting information or documentation. The Commission will need a copy of the notice of termination contemplated by Article X, Termination, of the Joint Venture Master Agreement. Since it does not appear from that Article that after closing either party may cancel absent material breach (subsection [e]) or a period of remediation related to financial results (subsection [f]) unless agreement is mutual, we will also need a copy of the "mutual written agreement" required by subsection (a).

In addition, we will need more information about the status of the Delaware Limited Liability Corporation, known as Altius University. While you note that the name "Altius University" will no longer be used, you have not commented on the status of the Limited Liability Corporation (LLC) that bears this name. It remains an active corporation on the Delaware Corporations website. Also, it is not clear whether Ivy Bridge College, as referenced in this letter, refers to this LLC or another LLC or corporation, whether it is a "dba" name registered in a specific state, or what the current legal status of this name or entity is. We will need official documents that make clear the current legal status of "Ivy Bridge College" and updated organizational charts that relate the current administrative structure of Ivy Bridge College to Tiffin. Finally, we will need a clear description of the purpose of this entity, which you are describing as a "services company" that handles marketing, student recruitment, or other support functions that you have stated "do not have to be handled by the accredited institution." (See paragraph below.)

In addition, you indicate that Tiffin's School of Graduate and Degree Completion Programs now offers the Bachelor of Professional Studies and Master of Education programs formerly offered through Ivy Bridge College. Despite this information, current Tiffin advertising continues to indicate that these programs are offered by Ivy Bridge College. Therefore we will need documentation that these programs are indeed offered by the School of Graduate and Degree Completion Programs and that the actual delivery of these programs involves only personnel whose salaries are paid by Tiffin and not paid directly or indirectly by Ivy Bridge College or Altius Education. You will also need to show that the arrangements you have made to provide "Contributed Assets" as identified in the legal documents related to this relationship including, but not limited to, the Second Amendment to the Joint Venture, Second Amendment to the Operating Agreement, Second Amendment to the License Agreement, etc. are no longer in effect or have been otherwise updated in keeping with the assertion in your letter that these programs are now offered by Tiffin only.

Application of Commission Policy.

As we have previously indicated, the formation of a joint venture or the formation of a limited liability corporation by an accredited institution is a change of structure that the Commission must formally review and approve under its Change of Control, Structure or Organization policy and protocol. Until the Commission approves the new structure, the Commission's accreditation does not extend to that structure or to its activities. There is an assumption in your letter that accreditation does not extend to marketing, student recruitment or other support functions. I want to make clear that the Commission accredits an entire institution, the educational programs it provides, and the operational services that support that institution as a business and as an educational institution. Therefore the creation of a joint venture or other corporation that assumes control of some or all of such services formerly offered by the institution, especially when this entity functions under the name or stated control of the institution, absent the prior approval of the Commission to extend its accreditation to that entity, is still a change of structure of the accredited institution and must be reviewed and approved by the Commission.

While the arrangements with Altius Education and the LLC were initiated in late 2007-early 2008, prior to the Commission's current policy on Change of Control, Structure, or Organization, which was adopted in June of 2009 and revised in February 2010, no institution is excused from compliance with current Commission policy unless the Commission Board of Trustees expressly grandfathers or exempts that institution. The Commission has also adopted new Criteria for Accreditation that were effective January 1, 2013; no institution, even though accredited under the previous Criteria for Accreditation, is excused from compliance with the current Criteria for Accreditation. The Board of Trustees grandfathered no institution from the Change of Control, Structure or Organization policy or the current Criteria for Accreditation.

While it is clear, as noted in the Staff Summary Report, that the 2010 evaluation team was aware of some arrangement 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. Moreover, the team did not recommend any of these arrangements for express approval by the Institutional Actions

Council or the Board of Trustees or for a separate follow-up review, which it would have been obligated to do. Instead it appears that it reviewed the situation merely as an expansion of distance education and the development of a student support center in Toledo, indicating the extent of its limited understanding of the relationship. This review by the team does not in any way relieve the institution of the need to have had the joint venture or LLC appropriately reviewed or approved through the Change of Control, Structure or Organization policy or protocol.

Furthermore, even if there had been no change of control, structure or organization, the licensing of programs by Tiffin to Altius University/Ivy Bridge, which is owned in part by an entity other than Tiffin, constituted contractual arrangements subject to program-by-program Commission review and approval. The reimbursement of Ivy Bridge faculty salaries paid from Tiffin accounts made the joint venture (or the LLC) the employer in practice and thereby a contractual partner providing 25% or more of an academic program. Tiffin indicated in its 2010 self-study that it employed the Ivy Bridge faculty and did not report this reimbursement mechanism. Tiffin has also not reported any contractual arrangement with the joint venture (or the LLC) in the Annual Updates submitted to the Commission since 2010. As a consequence of the continuing operation of the licensed associate degree programs at Ivy Bridge, contractual arrangements remain in effect. The Commission will write you separately about its consideration of these arrangements after it has reviewed the materials previously identified in the letter.

Nevertheless, to offset any potential confusion you may have had about the effect of the team visit, the Commission has moved slowly and deliberately to review these arrangements once the Commission office became more clearly aware of them. We have been in communication with you since February of 2012 to make clear the need for approval and to review the arrangements to determine whether they merited approval. We continue in this letter to make this expectation as clear as possible.

We look forward to receiving your information no later than July 8, 2013. Once we review this information, we will be in contact with you again. We will also be reviewing the enclosures to your June 14 response and making any corrections of errors of fact to the Staff Summary Report that we believe to be appropriate based on this information.

Sincerely,



Karen L. Solinski
Vice President for Legal and Governmental Affairs

cc: Sylvia Manning, President, Higher Learning Commission
Robert R. Appleson, Vice President for Accreditation Relations, Higher Learning
Commission