



INDIANA COMMISSION *for*  
HIGHER EDUCATION

# Indiana Board for Proprietary Education

## AGENDA

Monday, September 8, 2025

101 West Ohio Street, Suite 300  
Indianapolis, IN 46204-4206

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# AGENDA

## Meeting of the Board for Proprietary Education Indiana Commission for Higher Education

September 8, 2025  
10:00 am – 12:30 pm

Indiana Commission for Higher Education  
Kent Weldon Board Room  
101 West Ohio Street, Suite 300  
Indianapolis, IN 46204

### Microsoft Teams

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Member	Appointing Authority	Term
Scott Bogan	Secretary of Education	(at the pleasure of the Secretary)
Dr. Matt Butler	Commission for Higher Education	(at the pleasure of the Commissioner)
Anne Shane	Governor	October 1, 2018 – September 30, 2022 (continuing to serve at the pleasure of the Governor)
Ken Konesco	Governor	October 17, 2016 – October 16, 2020 (continuing to serve at the pleasure of the Governor)
Michael Nossett	Governor	May 5, 2025 – May 4, 2029

#### I. Call to Order – 10:00 A.M. (Eastern)

Roll Call of Members and Determination of Quorum

Executive Director's Report

Consideration of the Minutes of June 18, 2025, Board Meeting ..... 1

#### II. Decision Item and Program Review

##### A. Diploma in Practical Nursing

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### III. Information Item

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#### IV. OLD BUSINESS NEW BUSINESS ADJOURNMENT

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The next meeting of the Board is tentatively scheduled for **December 1, 2025, in Indianapolis, Indiana.**

**STATE OF INDIANA**  
**Board for Proprietary Education**

**Minutes of Meeting**

**Wednesday, June 18, 2025**

**I. CALL TO ORDER**

The Board for Proprietary Education met in a regular session starting at 10:00 A.M. (Eastern) at 101 West Ohio Street, Suite 400, with Chairman Butler presiding.

**ROLL CALL OF MEMBERS AND DETERMINATION OF A QUORUM**

*Members Present:* Scott Bogan (in person); Matt Butler, Ph.D. (in person); Ken Konesco (in person), and Michael Nossett (virtual).

*Members Absent:* Anne Shane.

*Commission for Higher Education:* Ross Miller (in person).

*State Board of Nursing:* Toni Herron (in person).

*Guests:* Tiffany Brack (in person); Sadra Dafiaghor, Ph.D.,(in person); Cassie Gentry (virtual); Stephie Guptill, Ed.D., (in person); Brandi Herbert (in person); Elisha Lewis, Ph.D., (virtual); Bola MacCarthy (virtual); Pete Patsiavos, Academic Program Analyst; Robert Petrucci (in person); and Tony Smarrella (in person).

A quorum was determined for the June 18, 2025, Board meeting.

**CONSIDERATION OF THE MINUTES OF THE April 9, 2025, BOARD MEETING**

- R-25.06.01      Resolved:** The Board for Proprietary Education hereby approves the Minutes of the April 9, 2025, regular meeting.  
(Motion – Konesco, second – Bogan, Roll Call: Bogan-Aye; Butler-Aye; Konesco-Aye; Nossett-Aye) The motion passed.

**CONSIDERATION OF THE MINUTES OF THE May 7, 2025, BOARD MEETING**

- R-25.06.02      Resolved:** The Board for Proprietary Education hereby approves the Minutes of the May 7, 2025, regular meeting.  
(Motion – Konesco, second – Nossett, Roll Call: Bogan-Abstain; Butler-Aye; Konesco-Aye; Nossett-Aye) The motion passed.

**II. EXECUTIVE DIRECTOR’S REPORT**

Matt Butler noted that the agenda was full and that the Board would begin with decision-making items.

**III. PROGRAM REVIEW AND ACADEMIC DEGREE PROGRAMS**

A. Program Review of Jeremi College

1. Comprehensive review of academic programs offered by Jeremi College.

Representing Jeremi College: Tiffany Brack, Administrator; Sadra Dafiaghor, President; and Bola MacCarthy, Director of Nursing.

Matt Butler introduced the program review. Ross Miller presented the staff report outlining the details of the review. Tiffany Brack and Sandra Dafiaghor presented additional materials on behalf of the institution.

B. Decision Item

2. Associate of Science in Nursing to be offered by Jeremi College.

Representing Jeremi College: Tiffany Brack, Administrator; Sada Dafiaghor, President; and Bola MacCarthy, Director of Nursing.

Matt Butler introduced the proposal for the Associate of Science in Nursing program. Ross Miller presented the staff report recommending stipulations if the program is approved.

Toni Herron recommended additional stipulations.

**R-25.06.03      Resolved:** The Board for Proprietary Education tabled action by roll call, per the background information provided in this agenda item. (Motion –Bogan, second – Konesco, Roll Call: Bogan-Abstain; Butler-Aye; Konesco-Aye; Nossett-Aye) The motion passed.

IV. DECISION ITEMS

A. Academic Degree Programs

1. Doctor of Education in Literacy and Education Specialist to be offered by the American College of Education.

Representing the American College of Education: Stephie Guptill, Regulatory and Compliance Manager; Elisha Lewis, Teaching and Learning Chair; Pete Patsiavos, Academic Program Analyst.

Matt Butler introduced the proposal for the Doctor of Education in Literacy and the Education Specialist in Literacy program proposals. Ross Miller presented the staff report recommending that the American College of Education be approved to offer the Doctorate and Education Specialist degree programs.

**R-25.06.04      Resolved:** The Board for Proprietary Education approves the following recommendation by roll call, per the background information provided in this agenda item. (Motion – Bogan, second – Konesco, Roll Call: Bogan-Aye; Butler-Aye; Konesco-Aye; Nossett-Aye) The motion passed.

2. Associate of Science in Health Information Management to be offered by Fortis College.

Representing Fortis College: Tony Smarrella, Campus President; Cassie Gentry, Masters Educational Leadership; Brandi Herbert, Dean of Education; and Robert Petrucci, National Dean of Program Management.

Matt Butler introduced the proposal for the Associate of Science in Health Information Management. Ross Miller presented the staff report recommending that Fortis College be approved to offer the Associate of Science degree program.

**R-25.06.05      Resolved:** The Board for Proprietary Education approves the following recommendation by roll call, per the background information provided in this agenda item.  
(Motion – Bogan, second – Konesco, Roll Call: Bogan-Aye; Butler-Aye; Konesco-Aye; Nossett-Aye) The motion passed.

## **V. ACTION ITEM**

### **A. Fee Schedule Interim Rule**

1. Interim Rule Title 571 Board for Proprietary Education.

Matt Butler presented the proposed Interim Rule 571 Board for Proprietary Education.

**R-25.06.06      Resolved:** The Board for Proprietary Education approves the following recommendation by roll call, per the background information provided in this agenda item.  
(Motion – Shane, second – Konesco, Roll Call: Roll Call: Bogan-Aye; Butler-Aye; Konesco-Aye; Nossett-Aye) The motion passed.

## **VI. INFORMATION ITEM**

### **OLD BUSINESS**

### **NEW BUSINESS**

None was presented.

## **VII. ADJOURNMENT**

The meeting was adjourned at 12:30 P.M.

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Dr. Matt Butler, Chairman

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Date

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## BOARD FOR PROPRIETARY EDUCATION

Monday, September 8, 2025

### DECISION ITEM A-1:

#### **Essential Healthcare Academy: Program Review and Decision Item One Diploma at One Location**

#### **Institutional Profile**

See Attachment

#### **Staff Recommendation**

That the Board for Proprietary Education re-approves the Diploma in Practical Nursing, acknowledging all stipulations have been satisfactorily met or resolved, in accordance with the background discussion of this agenda item and documentation.

#### **Background**

#### **Diploma Program Profile**

*Diploma in  
Practical Nursing  
45 Quarter Credit Hours  
Offered In Person  
CIP Code 51.3801*

The Board for Proprietary Education approved the Diploma in Practical Nursing with stipulations, in accordance with the background discussion of this agenda item and the New Program Proposal at the April 8, 2025, business meeting.

This program consists of 45 quarter credit hours, with 85 percent of the courses in the specialty. The program faculty currently identified consists of twelve individuals, of whom, seven are full-time and the remaining five are part-time. Of the twelve individuals, five have a master's degree, five have a baccalaureate degree, and two have an associate degree.

#### **Status of Stipulations**

At the Board's April 9, 2025, meeting, the Diploma in Practical Nursing was approved with the following stipulations, which have since been satisfactorily met or resolved:

Essential Healthcare Academy be placed on the September or December 2025 BPE Business Meeting Agenda for an in-depth review of the following:

Indiana State Board of Nursing Staff Report or comments on the Diploma in Practical Nursing program.

Diploma in Practical Nursing, stipulations including but not limited to:

- Evidence of faculty in number with expectations of teaching load, with educational instruction experience.
- Estimated cohort number to be within the expectation of the ISBN.
- Purchase of additional program equipment i.e., hospital bed.
- Updated plan and timeline for obtaining ACEN accreditation.
- Detailed data for each program including the number of students enrolled, attrition rate, test takers and pass rate.
- Attendance at a meeting of the Indiana State Board of Nursing.
- Submission of an extension letter to postpone an Indiana State Board of Nursing site visit.
  - Suggested extension letter to postpone a site visit until September 2025.

The following items will need to be submitted to the Commission prior to the removal of stipulations:

1. A roster of all faculty members for the Diploma in Practical Nursing.
  - The faculty roster needs to indicate more full-time than part-time instructors.
  - Submission of Instructor Qualification Records for all additional faculty.
  - Submission of a transcript of the highest degree earned for all additional faculty.
2. Updated plan and timeline for obtaining ACEN accreditation.
3. Photographs of additional program equipment and space reorganization.
4. Updated allied health programs certification and licensing pass rates.
5. Submission of a letter to the Indiana State Board of Nursing requesting an extension for a site visit.
6. Statement of attendance at an Indiana State Board of Nursing meeting.

## **Supporting Documents**

Faculty Roster  
 Instructor Qualification Records to be distributed  
 ACEN Accreditation Timeline  
 Photographs of Program Equipment and Learning Space  
 Allied Health Programs Certification and Licensing Pass Rates  
 ISBN Meeting Attendance  
 Diploma in Practical Nursing Program Structure

## **Institutional Profile for Essential Healthcare Academy**

**Background** The Essential Healthcare Academy began operating in Fort Wayne, Indiana, in 2021, with Indiana Department of Health (IDOH) approval. The institution received authorization from the Indiana Office for Career and Technical Schools (OCTS) in 2023. Board for Proprietary Education (BPE) Authorization was granted in December 2024.

Ms. Epperson is the founder and Program Director of Essential Healthcare Academy. She recently completed a Family Nurse Practitioner Program after earning a Master of Science (M.S.) in Nursing Leadership and Management and a Bachelor of Science (B.S.) in Nursing.

Essential Healthcare Academy began in 2021 by offering Certified Nurse Aide and Qualified Medication Aide programs, in addition to a short-term American Heart Association BLS/CPR training course. In 2023, the institution added Certified Phlebotomy Technician and Certified Clinical Medical Assistant programs. The Diploma in Practical Nursing was approved with stipulation by the Board at its April 2025 meeting.

**Institutional Control** Private, for-profit institution.

**Institutional Accreditation** A plan for seeking institutional accreditation through the Accrediting Commission for Education in Nursing (ACEN) was submitted with the application. The outline proposes submitting a self-study to ACEN in January 2026 to determine if the program is eligible for ACEN accreditation. The ACEN accreditation eligibility process includes a self-examination and evaluation followed by a Candidacy Eligibility Application.

**Participation in the NC-SARA** Essential Healthcare Academy does not participate in the National Council State Authorization Reciprocity Agreement (NC-SARA).

**Participation in the Student Financial Aid** Essential Healthcare Academy does not participate in Title IV federal financial aid. The institution does not participate in State Financial Aid (SFA). Students may be eligible for the Next Level Jobs Workforce Ready Grant, WIOA Grant provided by IMPACT, or WorkOne.

**Enrollment** Essential Healthcare Academy does not currently submit data to the National Center for Education Statistics (NCES). The institution self-reported an overall enrollment of 156 students in 2023, 100 in 2022, and 58 students in 2021. The institution reported an enrollment headcount of 208 as of December 2024.

**Programs** The institution offers programs at the certificate level. The institution currently offers Certified Nurse Aide, Qualified Medication Aide, Certified Phlebotomy Technician, and Certified Clinical Medical Assistant programs.

**Financial Responsibility Composite Score (FRCS)** Essential Healthcare Academy does not currently submit audited financials to the U.S. DOE, and thus does not have an FRCS.

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List Faculty Names (Alphabetical Order)	Degree or Diploma Earned (M.S. in Mathematics)	# Years of Working Experience in Specialty	# Years Teaching at Your School	# Years Teaching at Other	Check one:	
					Full- time	Part- time
Abby Widman	BSN, RN	13	0	3		X
Angel Martin	MSN, FNP	10	2	0		X
Donielle Krempel	BSN, RN	9	2.5	0	X	
Donna Hawk	BSN, RN	27	Less than 1 yr	24	X	
Kimberly Richard	MSN, FNP	6	1	2		X
Kiera Wilkerson	BSN, RN	11	3	0		X
Lakesha Wims	MSN, PMHNP	10	0	0		X
Linda Shipman	ASN, RN	15	Less than 1 yr	8	X	
Rashida Muhammad	MSN, FNP	14	3	0	X	
Rolayne Taylor	BSN, RN	35	Less than 1 yr	8	X	
Sedricka Epperson	MSN, FNP	12	4	5	X	
Shawn Callahan	ASN, RN	12	Less than 1 yr	12	X	

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### **ACEN Accreditation Timeline: Practical Nursing Program**

<b>Timeline</b>	<b>Action Steps</b>
January 2026	Review ACEN eligibility criteria and standards; designate project lead; register for ACEN orientation workshop.
February 2026	Conduct gap analysis; align curriculum with ACEN standards.
March 2026	Submit Candidacy Eligibility Application (CEA) to ACEN.
April 2026	Await response from ACEN on eligibility; begin Candidacy Presentation.
May – June 2026	Submit Candidacy Presentation; continue internal improvements.
July – September 2026	Receive Candidacy status; begin preparing for Self-Study Report.
October 2026 – January 2027	Develop Self-Study Report (SSR); faculty development; collect cohort data.
February – March 2027	Submit request for site visit; finalize and submit SSR.
April – June 2027	Host ACEN site visit; prepare documentation and interviews.
July – September 2027	Receive site visit report; submit follow-up report if needed; ERP reviews.
October – December 2027	ACEN Board decision on accreditation; receive Initial Accreditation if approved.

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Name of Program	Annual Passing Rate (2021)	Annual Passing Rate (2022)	Students graduated in 2023	Students graduated but did NOT take <small>test</small>	Students Certified in 2023	Annual Passing Rate (2023)	Students graduated in 2024	Students graduated but did NOT take <small>test</small>	Students Certified in 2024	Annual Passing Rate (2024)	Students graduated in 2025 - Q1	Students graduated but did NOT take <small>test</small>	Students Certified in 2025 - Q1	Passing Rate (2025 - Q1)
Certified Nurse Aide	100%	90%	60	0	52	86.67%	70	0	64	91.43%	18	15	3	100.00%
Qualified Mediacton Aide	100%	90%	86	0	66	76.74%	53	4	38	77.55%	14	1	13	100.00%
Certified Phlebotomy Technician	N/A	N/A	5	0	5	100.00%	33	5	24	85.71%	3	0	3	100.00%
Certified Clinical Medical Assitant	N/A	N/A	0	0	0	N/A	34	4	25	83.33%	N/A	N/A	N/A	N/A

Year of Program	2021	2022				2023				2024				2025 - Q1
	CNA - 100%	CNA - 90%				CNA - 86%				CNA - 91%				CNA - 100%
	QMA - 100%	QMA - 90%				QMA - 76%				QMA - 77%				QMA - 100%
	CPT - NA	CPT - NA				CPT - 100%				CPT - 86%				CPT - 100%
	MA - NA	MA - NA				MA - NA				MA - 82%				MA -

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Name of Program	Annual Passing Rate (2021)	Annual Passing Rate (2022)	Students graduated in 2023	Students graduated but did NOT take test	Students Certified in 2023	Annual Passing Rate (2023)	Students graduated in 2024	Students graduated but did NOT take test	Students Certified in 2024	Annual Passing Rate (2024)	Students graduated in 2025 - Q1	Students graduated but did NOT take test	Students Certified in 2025 - Q1	Passing Rate (2025 - Q1)
Certified Nurse Aide	100%	90%	60	0	52	86.67%	70	0	64	91.43%	18	15	3	100.00%
Qualified Mediacion Aide	100%	90%	86	0	66	76.74%	53	4	38	77.55%	14	1	13	100.00%
Certified Phlebotomy Technician	N/A	N/A	5	0	5	100.00%	33	5	24	85.71%	3	0	3	100.00%
Certified Clinical Medical Assitant	N/A	N/A	0	0	0	N/A	34	4	25	83.33%	N/A	N/A	N/A	N/A

Year of Program	2021	2022				2023				2024				2025 - Q1
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CNA - 100%	CNA - 90%				CNA - 86%				CNA - 91%				CNA - 100%
QMA - 100%	QMA - 90%				QMA - 76%				QMA - 77%				QMA - 100%
CPT - NA	CPT - NA				CPT - 100%				CPT - 86%				CPT - 100%
MA - NA	MA - NA				MA - NA				MA - 82%				MA -

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## **Statement of Attendance**

### **Indiana State Board of Nursing Meeting — August 21, 2025**

I, Sedricka Epperson, Program Director and Owner of Essential Healthcare Academy, hereby attest that I attended the Indiana State Board of Nursing public meeting held on August 21, 2025.

This attendance fulfills a stipulation issued to Essential Healthcare Academy by the Indiana Board for Proprietary Education (BPE) during the meeting held on April 9, 2025.

Purpose of Attendance: To comply with BPE requirements related to program oversight and governance.

I affirm that the information provided herein is true and accurate to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Sedricka Epperson', is written over a horizontal line.

Sedricka Epperson, MSN, FNP-C

Program Director & Owner, Essential Healthcare Academy

Email: [sedricka@essentialhca.com](mailto:sedricka@essentialhca.com) | Phone: 260-467-9837

Date: August 25, 2025

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Quarter (12 weeks)	Course Name	Credit Hours	Lecture Hours	Clinical/Lab Hours	Days/hrs per week <i>*subject to change</i>
<b>Quarter 1</b>					
AP100	Anatomy & Physiology	6	80	30 lab	4.5 hrs – 2x/week
BIO100	Medical Terminology	2	32	0	2hr. 40mins x1/week
PN100	Fundamentals of Nursing I	3	32	30 lab	2.5 hrs. – 2x/week
NUT100	Nutrition	2	32	0	2hr. 40mins x1/week
	<b>Total for Term 1</b>	<b>13</b>	<b>176</b>	<b>60</b>	
<b>Quarter 2</b>					
PN201	Fundamentals of Nursing II	3	32	45	3hrs. 5mins x2/week
PN205	Nursing Pharmacology	3	48	0	4 hrs. x1/week
PN202	Gerontology Nursing	3	48	0	4 hrs. x1/week
PN-C203	Gerontology Nursing Clinical	2	0	90	7 hrs. x1/week
	<b>Total for Term 2</b>	<b>11</b>	<b>128</b>	<b>135</b>	
<b>Quarter 3</b>					
PN301	Adult Health I	4	48	30	3hrs. 10 mins x2/week
PN302	Adult Health I Clinical	2	0	90	7 hrs. x1/week
PN305	Mental Health Nursing	3	48	0	4 hrs. x1/week
PN306	Maternal-Child Nursing	2	32	0	2hr. 40mins x1/week
PN307	Maternal-Child Nursing Clinical	1	0	45	7 hrs. 30mins. -1x/week - start @ week 6
	<b>Total for Term 3</b>	<b>12</b>	<b>128</b>	<b>165</b>	
<b>Quarter 4</b>					
PN401	Adult Health II	3	48	0	4 hrs. x1/week
PN402	Adult Health II Clinical	2	0	90	7 hrs. x1/week
PN400	Transition to the Role of Professional Nursing	2	32	0	2hr. 40mins x1/week
PN403	Ethical Considerations in Nursing	2	32	0	2hr. 40mins x1/week
	<b>Total for Term 4</b>	<b>9</b>	<b>112</b>	<b>90</b>	
	<b>Program Total</b>	<b>45</b>	<b>544</b>	<b>450</b>	

**KEY:**

1 credit hour = 16 lecture hours  
 1 credit hour = 45 clinical  
 1 credit hour = 30 lab hours

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**INFORMATION ITEM A:**

**Change of Ownership**

**Background**

The information item provides an overview of the current change of ownership process at the federal level, various counterpart agencies in surrounding states, and the Board for Proprietary Education.

The US Department of Education, Office of Federal Student Aid, change of ownership process is focused primarily on ensuring the financial responsibility of institutions to participate in Federal Student Aid (Title IV) programs.

The Department assesses financial responsibility by reviewing:

**Audited Financial Statements**

- Two most recent complete fiscal years.

**Same-day Balance Sheet**

- Show positive tangible net worth the day after the change of ownership.

**Composite Score**

- For-profit institutions have a calculated Federal Financial Responsibility Composite Score.

**Letter of Credit (LOC)**

New ownership does not have two years of suitable financials.

- LOC of 25% or 25% of cash equal to the prior year's Title IV funds.

New ownership has one year of passing audited financial statements.

- LOC of 10% or 10% of cash equal to the prior year's Title IV funds.

Change in ownership results in new majority control.

- LOC of 25% or 25% of cash equal to the prior year's Title IV funds.

Institutions with a composite score of 1.4 or less.

- May be required to post a LOC of 10% or more of prior year's Title IV funds.

The change of ownership process varies greatly between counterpart state agencies that authorize institutions of higher education.

State agencies may assess the following documents for approving a change of ownership:

Proof of ownership

- Articles of Incorporation
- Operating Agreement

Evidence of financial stability

- Audited financials from the prior fiscal year or two years.
- Surety Bond

Legal proof of change of ownership

- Purchase agreement

Student assurance fund

- New owner contribution of a single amount or percentage of tuition collected annually for one to five years after.

Agreements

- To service existing student transcripts.
- Resolve ongoing student complaints.
- Honor existing student enrollment agreements.
- Continuance of existing programs.

The Board for Proprietary Education's change of ownership review varies between for-profit institutions and non-profit institutions.

Documents reviewed for both for-profit and non-profit institutions include:

- Pre and post change ownership diagrams.
- Change of ownership agreement.
- Audited financial statements from the previous completed fiscal year.

**Supporting Documents to Be Distributed**

U.S. Department of Education, Office of Federal Student Aid,  
Overview of Change of Ownership

State Counterpart Agencies, Overview of Change of  
Ownership

Board for Proprietary Education, Overview of Change of  
Ownership

# US Department of Education, Office for Federal Student Aid

## Overview of Change in Ownership

Timetable/Action	Documents Reviewed
Pre Sale Documents	<p>Institution's state license(s) or equivalent documentation <i>as of the day before the CIO</i>.</p> <p>Accrediting agency approval that was in effect <i>on the day before the CIO</i>.</p> <p>Audited financial statements for the institution's two most recently completed fiscal years.</p> <p>Audited financial statements for the new owner's two most recently completed fiscal years.</p>
Documentation for a Materially Complete Application	<p>Updated (up to 60 days prior to closing) approval letter from the state authorizing or accrediting agency; or</p> <p>approval letter or certification from the institution's most recent authorization or accreditation approval plus some other evidence to demonstrate that the approval was still in effect the day before the CIO</p> <p>Institution must submit its GAAP and GAGAS audited financial statements for the most recently completed fiscal year end (FYE) prepared on an accrual basis in accordance with generally accepted accounting principles ("GAAP") and audited by an independent auditor in accordance with generally accepted government auditing standards ("GAGAS").</p>
Specific Requirements for Evaluation of Acquisition Debt related to the CIO	<p>Details of any acquisition debt, including all agreements and any amendments.</p>

## US Department of Education, Office for Federal Student Aid

### Overview of Change in Ownership

An institution that is not financially responsible must provide financial protection in an amount that is not less than 10% or an amount determined by the Department, and follow the zone requirements

Submission Requirements for Audited  
Financial Statements as Part of a Materially  
Complete Application and Acquisition Debt

Submit via email to  
FSAFinancialAnalysisDivision@ed.gov  
for any CIO on or after July 1, 2024.

Conditions for the Extension of the Temporary  
Provisional Program Participation Agreements  
(TPPPA)

The TPPPA may be extended on a month-to-month basis only if, prior to the expiration date of the TPPPA, an institution submits the documents necessary to comply with the requirements

An audited "same-day" balance sheet for a proprietary institution or an audited statement of financial position for a nonprofit institution, as of the date of the change in ownership ("SDBS").

If not already provided, approval of the change of ownership from each State in which the institution is physically located or for an institution that offers only distance education

If not already provided, approval of the change of ownership from the institution's accrediting agency

A default management plan unless the institution is exempt from providing that plan under

Needed for State Approval of Change in  
Ownership (CIO)

A clear statement from the state agency that the Change of Ownership has been approved.

## US Department of Education, Office for Federal Student Aid

### Overview of Change in Ownership

A confirmation that the documentation reflects the approval of the CIO under the applicable state statutes, regulations, or procedures, even if the documentation does not contain an explicit and declarative statement of approval of the CIO; or

A confirmation that under the applicable state statutes, regulations, or procedures, the school is exempt from submitting the CIO to the state agency for approval; or

A confirmation that under the applicable state statutes, regulations, or procedures, the state agency does not consider the transaction to be a change of ownership resulting in a change of control.

#### Needed for Accreditor Approval of Change in Ownership (CIO)

A clear statement from the accrediting agency that the Change of Ownership has been approved.

A confirmation that the documentation reflects the approval of the CIO under the applicable agency standards, even if the documentation does not contain an explicit and declarative statement of approval of the CIO; or

A statement that the accrediting agency does not consider the transaction to be a change of ownership resulting in a change of control.

#### Key Documents

New Owner: Audited financial statements (two recent fiscal years)

Same-Day Balance Sheet from day of sale (demonstrate positive tangible net worth)

## **US Department of Education, Office for Federal Student Aid**

### **Overview of Change in Ownership**

Letter of Credit (LOC): required for new owner without 2-years of acceptable audited financial statements. Typically 25% of previous year's Title IV funds if new owner has no financial statements; 10% if one year of audited financial statements.

## State Counterpart Agencies Change of Ownership

State	Documents Reviewed
Illinois Board of Higher Education (IBHE)	<p>Ownership Structure</p> <p>Organizational Chart-Post</p> <p>Pre-Aquisition Audit</p> <p>Ownership Percentage Document</p> <p>Legal Proof of Change in Ownership</p> <p>New Owner Evidence of Surety Bond: Minimum of \$10K or Amount to Cover Unearned Tuition</p> <p>Acknowledge that existing student agreements will be honored, including existing transcripts.</p> <p>Description of New Ownership Structure.</p> <p>Board of Director's Meeting Minutes</p>
Kentucky Commission on Proprietary Education (CPE)	<p>School Surety Bond in the Name of New Owner(s)</p> <p>Surety Bond in the Name of Each Agent Recruiter</p> <p>Application for Permit of Each Agent Recruiter</p> <p>Evidence of Transfer of Ownership Agreement or Evidence of Purchase</p> <p>Listing of Assets Transferred i.e., Equipment, Buildings, Etc.</p> <p>Listing of Liabilities Assumed by New Owner</p> <p>Current Lease Agreement</p> <p>Article of Incorporation and Assumed Name</p>
For-Profit LLC Asset Sell to Non-Profit	<p>Asset Purchase Agreement</p> <p>Pre and Post Change of Ownership Diagram</p> <p>Audited Financials of For-Profit LLC Purchaser</p> <p>Audited Financials of Non-Profit Seller</p> <p>Accreditor Change of Control Application</p>

## State Counterpart Agencies

### Change of Ownership

#### For-Profit LLC Purchase of For-Profit LLC

Outline of Transaction in Steps

For-Profit LLC Purchaser Company Overview  
Information

Combined Financial Statements and Supplemental  
Schedules of For-Profit LLC Purchaser

Combined Financial Statements and Supplemental  
Schedules of For-Profit LLC Seller

Equity Purchase Agreement

Confirmation of Closing Form Executed

Purchase Agreement

#### Michigan Department of Labor and Economic Opportunity (LEO)

##### Pre Sale Documents

Initiate a Pre-Sale Audit: specialized legal and financial  
counsel to conduct a thorough pre-sale compliance  
audit. To identify and correct any issues with licensing,  
corporate filings, or financial records.

##### Post Sale Documents

Proof of Ownership (Articles of Incorporation,  
Operating Agreement (LLC), or Partnership Agreement

Register with Michigan Department of Licensing and  
Regulatory Affairs Corporations Divisions

Letter of Credit (LOC): A buyer should assume they will  
need to provide an LOC, especially if the new entity  
lacks a two-year financial history.

Surety Bond (\$5,000 or \$200 per student enrolled  
previous year)

#### Ohio Department of Higher Education (ODHE)

##### Pre Sale Documents

Application for Change of Ownership Form

Statement of Fiscal Responsibility



## **State Counterpart Agencies Change of Ownership**

Application for Permit of Each Agent Recruiter

Change of Ownership Certification Form

Post Sale Documents

Surety Bond Form

Proof of Change of Ownership (Bill of Sale/Contract of Sale)

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## BPE Authorized Institutional Change of Ownership

### Change of Ownership Type

### Documents Reviewed

#### Partial LLC Transfer

Pre and Post Change of Ownership Diagrams

Audited Financial Statements from Previous Completed Fiscal Year

Outline of Operational Changes Following Transfer or Letter Stating that No Changes are Planned

Change of Ownership Agreement

Accreditor Change of Control Application

Confirmation of Closing Form Executed

#### For-Profit LLC Asset Sell to Non-Profit

Pre and Post Change of Ownership Diagrams

Asset Purchase Agreement

Audited Financials of For-Profit LLC Seller

Audited Financials of Non-Profit Purchaser

Accreditor Change of Control Application

Confirmation of Closing Form Executed

#### For-Profit LLC Purchase of For-Profit LLC

Pre and Post Change of Ownership Diagrams

Outline of Transaction in Steps

For-Profit LLC Purchaser Company Overview Information

Combined Financial Statements and Supplemental Schedules of For-Profit LLC Purchaser

Combined Financial Statements and Supplemental Schedules of For-Profit LLC Seller

Equity Purchase Agreement

Confirmation of Closing Form Executed