

November 10, 2017

Dr. Steven Stargardter
President
United States University
7675 Mission Valley Road
San Diego, CA 92108

Dear President Stargardter:

During its November 1-3, 2017 meeting, the WASC Senior College and University Commission (WSCUC) considered the proposal submitted by United States University (USU) to be acquired by Aspen Group Inc. (AGI) and operate as an institution owned by AGI. This acquisition represents a structural change as defined by WSCUC Substantive Change policy as a change in mission, ownership, legal status or control.

Consideration of this structural change follows submission by the institution of a proposal and its subsequent review by a panel of the Substantive Change Committee via teleconference on July 18, 2017. Members of the review panel conducted a site visit to USU's campus in San Diego, CA on September 8, 2017 and submitted a site visit report. During its November 1, 2017 meeting, the Structural Change Committee of the Commission reviewed the original structural change application materials, the letter dated July 9, 2017 from WSCUC staff communicating the findings of the Substantive Change Committee panel, and the site visit report. The Structural Change Committee also had access to the institution's accreditation history and past Commission action letters.

At its November 1, 2017 meeting, the Structural Change Committee endorsed the findings of the Substantive Change Committee and the site visit report and referred to the full Commission its recommendation that a change of ownership to be approved.

After deliberation, the Commission acted to:

1. Receive the site visit report and the Structural Change Committee recommendation.
2. Approve the Change in Mission, Legal Status or Control, with a deadline for implementation under this approval of June 30, 2018.
3. Require a post-implementation visit within 6 months of implementation to address recommendations of the Substantive Change panel.
4. Require a Special Visit to USU in fall 2018 to assess progress with the recommendations to follow and the issues identified in the Commission's June 24, 2015 action letter.

The Commission endorsed the following commendations from the site visit report:

1. The institution's transparency and open communication with all stakeholders in the preliminary stages of the potential institutional changes.

2. The institution's plans to increase enrollments and bring the institution to a position of financial stability, drawing on best practices from Aspen University, with collaboration already in place related to shared services.
3. The institution's efforts to build a positive environment and optimism for staff and faculty in embracing the potential ownership change.

The Commission endorsed the following recommendations from the site visit report to be assessed at the Special Visit in fall 2018:

1. Closely monitor differences between actual and planned enrollments as the marketing processes are rolled out to additional programs. (CFR 3.4)
2. Closely monitor financial performance relative to plan to ensure that realistic budgets based on accurate estimates of enrollment are developed. (CFR 3.4)
3. Continue to focus on USU's mission of providing educational opportunities to underserved populations. (CFR 1.1, 1.4)
4. Ensure sufficient resource allocations to continue to provide quality programs as enrollments grow. (CFR 3.4, 3.5)
5. Ensure that the Board of Trustees continues its active and independent role in guiding the institution. (CFR 3.9, 4.7)
6. Monitor the emerging shared services methodology /infrastructure to ensure that the institution's value of student-centric support is maintained. (CFR 2.13, 3.5)

This Special Visit may not be postponed. It will provide the Commission with the opportunity to consider the status of USU's accreditation and its Notice of Concern in the context of this structural change and the need for continued progress and ongoing monitoring.

It is the responsibility of USU to notify the Commission immediately of the completion of the acquisition by AGI and the completion of all other necessary approvals for implementation of this change.

This letter and the site visit report will be posted on the WSCUC website in accordance with WSCUC Commission policy. If USU would like to respond to the Commission's findings, a link to your response will be posted on the WSCUC website.

Please contact me if you have any questions or comments about this letter or the action of the Commission.

Sincerely,



Mary Ellen Petrisko
President

cc: Members of the Substantive Change Committee panel
Members of the Structural Change Committee panel
John Hausaman, Director of Substantive Change and Committee Relations
Barbara Gross Davis, WSCUC Vice President