ACCREDITING BUREAU OF HEALTH EDUCATION SCHOOLS | ABHES

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August 12, 2026 ID: I-368

Dr. Fe Ludovico-Aragon
President/Executive Director
Premiere Career College
12901 Ramona Boulevard
Irwindale, CA 91706

Dear Dr. Ludovico-Aragon:

The Commission, at its July 15-16, 2026, meeting, reviewed the record[1] of the institution's financial history. Based on the review and discussion, the Commission directed the institution to continue to show cause as to **why its accreditation should not be withdrawn**. The Commission will consider the institution's response at its January 2027 meeting.

The Commission continues this show cause directive because the institution did not demonstrate compliance with the standard outlined below. This constitutes notice to the institution that absent corrective action and information by and from the institution that demonstrates compliance with the standard, its accreditation may be withdrawn. The institution is being provided with another opportunity to respond to the following finding of non-compliance based on the standard set forth in the *Accreditation Manual*.

Procedural History

The institution's audited financial statements for the fiscal year ending June 30, 2024, were considered by the Commission at its January 2025 meeting. At that time, the institution was noted to be on a Heightened Cash Monitoring 2 (HCM2) status with the U.S. Department of Education. Upon review of the audit and the HCM2 documentation, the Commission placed the institution on financial reporting.

At its July 2025 meeting, the Commission reviewed the institution's response to the February 12, 2025, financial reporting letter, along with documentation that the institution remained on HCM2 status with

[1] The accreditation record includes the responses to the Commission's February 12, 2025, and August 6, 2025, financial reporting letters, the institution's response to the Commission's February 11, 2026 show cause letter, the institution's financial history, and other relevant correspondence and documentation.

the U.S. Department of Education. In its letter dated August 6, 2025, the Commission continued the institution on financial reporting.

At its January 2026 meeting, the Commission reviewed the institution's audited financial statements for the fiscal year ending June 30, 2025, and its response to the August 6, 2025, financial reporting letter. The Commission placed the institution on show cause and requested an update on its financial capability and HCM2 status. The Commission provide notice of the action to the institution in a February 11, 2026 letter.

The Commission reviewed the institution's response to the February 11, 2026, show cause letter at its July 2026 meeting. In order to permit more time for the institution to submit its audited financial statements for the fiscal year ending June 30, 2026, and to work toward the resolution of its HCM2 status with the U.S. Department of Education, the Commission granted the institution's good cause extension request and continues the show-cause for the reasons identified below.

Reason for the Show Cause

- An institution demonstrates that it has the financial resources to ensure continuity of operation and to fulfill its obligations to students and employees (IV.B.1.).

  The Commission requires additional information from the institution to demonstrate compliance with the above standard because, based on a review of the institution's audited financial statements for fiscal years ending June 30, 2024, and June 30, 2025, the institution has not met one or more of the financial capability criteria within the preceding two-year period. Specifically, the institution incurred net losses of $1,412,783 and $1,281,530 for the fiscal years ended (FYE) 2024 and 2025, respectively, and had a negative cash balance of $9,692 at the end of FYE 2025. Additionally, per note 10 of the FYE 2025 audited financial statements, the institution's auditor stated, "Over the last three years, the institution has accumulated operating losses of $2,900,000. Those losses have substantially reduced working capital and retained earnings. As a result, substantial doubt exists about the institution's ability to continue as a going concern within one year after the date that these financial statements are available to be issued, through January 9, 2026."

  In response to the February 11, 2026, show-cause letter, the institution submitted an updated Financial Improvement Plan and requested additional time to demonstrate compliance and resolve its HCM2 status with the U.S. Department of Education.

  The institution, therefore, is directed to submit additional information and documentation to demonstrate compliance with the standard, including, but not limited to, the following:

  - An updated Financial Improvement Plan that details the institution's financial objectives, outlines how the institution plans to achieve compliance, and specifies timelines for when compliance will be achieved.

Additionally, according to information from the U.S. Department of Education, the institution remains in Heightened Cash Monitoring 2 (HCM2) status. Accordingly, the Commission requires a narrative update on the institution's HCM2 status, as well as copies of all correspondence between the institution and the United States Department of Education from May 1, 2026, to October 15, 2026.

Maximum Timeframe for Compliance

The maximum period of time the Commission may allow for an institution to achieve compliance with accreditation requirements is stated in III.C.1.b. of the *Accreditation Manual.* The Commission first identified the areas of non-compliance set forth above in its February 12, 2025, letter. The Commission set a maximum timeframe for compliance, which required a final response by May 1, 2026, for review at the Commission's July 2026 meeting.

Although the institution remains out of compliance and has now exceeded the maximum timeframe, the Commission has determined good cause exists to grant a **six-month** extension to allow the institution additional time to demonstrate full compliance.

The Commission's good cause extension is limited to no longer than 12 months from the institution's maximum timeframe. The institution may request a second and final good cause extension by submitting another completed *Request for Good Cause Extension Form*, with its response due on November 2, 2026. If the Commission grants a second good-cause extension at its January 2027 meeting, the institution will be required to submit a final response by May 1, 2027, for the Commission's consideration at its July 2027 meeting.

The Commission will review the institution's response to this letter at its January 2027 meeting and make further determinations at that time.

Submission Procedures and Requirements

1. **Teach-Out**

   By **August 26, 2026,** the institution must submit online via DropBox Applications its updated Teach-Out Plan and the corresponding form (available for download from the ABHES website at https://www.abhes.org/resources/#Forms) for all active programs.

2. **Student disclosure**

   Within seven business days of the date of this letter, by **August 26, 2026,** the institution must submit online via DropBox Commission Responses evidence that it has published a new student disclosure notice informing enrolled and prospective program students of the continued Show Cause action as the reason the updated Teach-Out Plan is required.[2] Evidence of adequate public notice to prospective students must be provided to ABHES and remain published in the same form as the original publication/posting until the next Commission decision.

[2] This disclosure is also required under 34 Code of Federal Regulations § 668.43(a) (19) which states: "If the institution is required to maintain a teach-out plan by its accrediting agency, notice that the institution is required to maintain such teach-out plan and the reason that the accrediting agency required such plan under § 602.24(c)(1). . ."

3. Additional information regarding the standard-related directives

By **November 2, 2026**, the institution must submit, online via DropBox Commission Responses, its response to the standard-related directives identified within this letter. The file must be named "*I-368_RSP to Aug 2026 SC Letter_112026*."

The response must be submitted in accordance with the format and content instructions outlined in the Preparing Your Response Guide. Failure to adhere to the instructions or the due dates will result in a late-fee assessment in accordance with Appendix G of the *Accreditation Manual*.

Appearance

If, as part of its response to this directive, the institution wishes to appear before a panel of the Commission via video conference, its request to appear must be submitted to ABHES via DropBox Commission Responses by **August 26, 2026**. The file must be named "*I-368_Request to Appear_082026.*" A virtual appearance fee of $2,000 will be assessed in accordance with Appendix G, Fees, of the *Accreditation Manual* upon receipt of the institution's request to appear. **The required fee must be remitted within five business days of the invoice date.** Failure to remit the appearance fee by the due date may hinder or delay scheduling the appearance.

Disclosures

ABHES will not consider, review, or process substantive changes (as defined in III.B.2.b. of the *Accreditation Manual*) while the institution is under a show cause directive, unless the institution demonstrates that the substantive change is likely to resolve the show cause directive. An institution's request for acceptance of the application must include justification for the change and its effect on the institution's operation.

The U.S. Department of Education, the appropriate State licensing or authorizing agency, the appropriate accrediting agency, and the public have been notified of this action as required under 34 Code of Federal Regulations § 602.26 *et seq* and set forth in Chapter III of the *Accreditation Manual*.

The Commission conducts its evaluation of institutions and programs in an objective and confidential manner. To ensure objectivity, impartiality, and integrity in the accreditation process, Commissioners do not participate in considerations of institutions or programs that present or appear to present a conflict of interest. The list of ABHES Commissioners is posted at https://www.abhes.org/board-of-commissioners/. Each Commissioner serves a defined term, which expires June 30, and is held responsible to a strict Code of Ethics. An institution may object to a current Commissioner considering an impending accreditation matter on the basis of a possible conflict of interest, indicating the reason(s) for the objection per the examples listed in I.A.4 of the *Accreditation Manual*. An objection must be submitted in writing to the ABHES Executive Director within five business days prior to a scheduled Commission meeting via email at info@abhes.org.

If you have any questions about this correspondence, please contact staff liaison, Kyle Boyles, at kboyles@abhes.org or at (571) 282-0054.

Sincerely,

India Y. Tips
Executive Director

c: DAPIP, U.S. Department of Education
California Bureau for Private Postsecondary Education