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To WSCUC and the broader community,

Pathways College appreciates the feedback and directives given by the Show Cause letter issued in February 2026. The college is working to demonstrate compliance prior to our Fall 2026 Special Visit across each item raised in the Show Cause letter. Below is a chart that identifies areas raised by the Show Cause letter and the work of the college to demonstrate work towards compliance with the stated standards.


We have just celebrated our first semester with excess revenues driven by tuition and are projected to end this year with tuition-driven excess revenues as well so that we have not had to use any of our reserves. Based on IPEDS research, we are set apart from the 85% of small non-profit colleges with debt and are part of the 15% minority that have no debt. We also have more than double the median operating reserve ratio for small colleges, which is typically 5-13 months of operating expenses, whereas Pathways College has 2-3 years shored up and untouched. Reflecting our fiscal stability, we've maintained a healthy composite score of 2.2 annually as established by independent audits. A composite score is on a scale of 1 to 3 and calculated by examining the primary reserve ratio (30%), equity ratio (40%), and net income ratio (30%). Scores below 1.0 are failing, between 1-1.4 is cause for concern, and above is passing. By this metric Pathways College has a healthy fiscal outlook with a 2.2 composite score.

The Title IV application has been completed as of March 2026 and the VA programs application is set to be completed by the end of March 2026, however, the Show Cause letter may be a barrier to participation in both programs. Program reviews and outcome assessments for all courses have been completed through Fall 2025. Student outcome assessment data is disaggregated by enrollment type on our website and also reflected in our semester course outcome assessments and program reviews. Additionally, we have made structural organizational changes to better distribute responsibilities with 3-year organizational charts indexed to realistic multi-year contingency budgets reflecting every scenario from no Title IV to no further donations. Additionally, our strategic plan and outreach initiatives refocus our efforts away from reliance on Title IV and donors to radically diversify revenue streams including 127 partnerships, academic recovery partnerships with other colleges, and VA scholarships. The mission of Pathways College is to provide opportunities for students to realize their dreams by removing financial barriers in attaining a college education. As such and as reflected in our strategic plan, our target students are those that are facing such barriers including working adults, those who have stopped out with some college credits but no degree, and at-risk high school students through dual enrollment.

The college appreciates the insights, feedback, and directives reflected in the Show Cause letter and is prepared to show data driven improvements in our upcoming Fall 2026 Special Visit around each of these issues. Pathways College respectfully requests that the Commission lift the Order to Show Cause following the Fall 2026 Special Visit upon verification of compliance.

Thank you,  
Dr. Randall Hoggard, Provost and ALO

Dr. Daniella Baker, Chancellor

Institutional Area	Key Actions / Evidence	CFR(s)	Compliance Demonstration
<b>Financial Sustainability &amp; Planning</b>	Tuition-driven excess revenues for Fall and projected for Spring 2026; no debt, five multi-year contingency budgets established showing revenue diversification and lack of reliance on Title IV and donors established and in strategic plan. Composite score of 2.2 as established by independent audit. Reserves of \$1.2 million untouched.	3.4, 3.5, 3.8, 3.9, 3.11	Demonstrates sufficient fiscal resources, realistic scenario planning, responsible board oversight, qualified financial leadership, and transparent structures supporting institutional resilience.
<b>Revenue Diversification &amp; Partnerships</b>	Grant cycle, 127 corporate partnerships; SAR agreements; VA scholarships; donor diversification strategy all reflected in strategic plan. Over 35 company 127 programs applied to and over 150 colleges contacted for SAR partnerships as of March 3. Grant cycle in process and donation page being expanded with student ambassador testimonials scheduled for late Spring. A formal letter sent to the Department of Education was responded to by Senator Mark Kelly on March 3 and Dr. Early, Acting Branch Chief/Section Chief at the Department of Education sent a letter on March 2 acknowledging the nearly year-long technical errors on the part of the Department of Education and stated that the “unresolved issue places the institution in a precarious position and jeopardizes your ability to fully serve	1.2, 3.5, 3.11, 4.8	Aligns resources with mission, supports long-term financial planning, strengthens institutional resilience, and reflects stakeholder-informed strategic planning.

	students without Title IV assistance.” The letter shows this error was rectified on February 12 and the pre-eligibility application was submitted that same day. Furthermore, the Title IV application has been completed in early March and the VA program application is on track to be completed by March 15.		
<b>Student Outcomes &amp; Program Review</b>	Comprehensive program reviews conducted every two years with student outcomes analysis indexed to all program and institutional objectives. Comprehensive program reviews from inception of college through Summer 2025 completed in Fall 2025.	2.4, 4.1, 4.5, 4.6	Ensures systematic program review, quality assurance, evidence-based improvement, and continuous inquiry into teaching and learning.
<b>Disaggregated Student Outcomes &amp; Data Systems</b>	Robust data infrastructure tracking outcomes by program and student population. Course outcome assessment disaggregated and completed each semester. Broad outcome data on the outcomes page for adult learners and dual enrollment page for dual enrollment students.	4.2, 4.4, 3.10	Collects and analyzes disaggregated outcomes, maintains institutional research capacity, and applies data to decision-making.
<b>Student Support &amp; Co-Curricular Programs</b>	Expanded tutoring, writing center, career workshops, and coordinated interventions. Dedicated support pages for each population type. Student support report tracking interventions and outcomes by enrollment type.	2.12, 2.13, 2.14	Provides accurate advising, sufficient student support services, and regular assessment of effectiveness for improvement.
<b>Dual Enrollment – Mission Alignment</b>	Dual enrollment embedded in mission with research showing efficacy as an enrollment strategy as well as mission-alignment, targeted student population in strategic plan, and faculty-supported initiatives	1.1, 1.2, 2.1	Advances institutional mission, removes barriers to access, and offers academically appropriate coursework aligned with degree expectations.
<b>Dual Enrollment – Student Support</b>	DE orientation, weekly supports, integrated advising structures, support and intervention tracked in student support report.	2.12, 2.13	Ensures dual enrollment students receive timely information and sufficient academic and personal support services.

<b>Institutional Transparency &amp; Disclosure</b>	<p>Timely posting of accreditation materials, governance information, and regulatory communications as articulated in policy on Accreditation page. All action letters featured in full on the accreditation page, recommended Show Cause message at the top of the accreditation page. BPPE email shows that they understand our headquarters has been moved to Arizona, the designation of our satellite office in California as a “main” is due to being the only office we have in California. January 2026 formal letter sent to the Department of Education and representatives led to prompt support in rectifying previous technical barriers in the application.</p>	<p>1.3, 1.7, 1.8</p>	<p>Demonstrates integrity, open communication with constituents, and candid engagement with the Commission.</p>
<b>Governance Independence &amp; COI Controls</b>	<p>Independent board; conflict-of-interest recusal procedures; documented compliance in bylaws and board meeting minutes. All contracts are approved and maintained by the board based on satisfaction with outcomes and costs including HEM and the reception of donor funds from Hawkeye Properties and Workforce Innovation, Inc. (“Hawkeye”). John Hall stepped down from all operational roles in June 2024 and has not exercised any leadership, governance, or management authority at Pathways College since that time. Concurrently, the College formally terminated all related-party relationships with PMG, HEM, and Hawkeye. Governance authority resides exclusively with an independent Board of Directors of Pathways College, none of whom maintain financial or governance positions with those entities. Prior financial support from Hawkeye was philanthropic in nature and does not provide any operational control or influence over the college. Ongoing safeguards—including annual independent audits with clean opinions, comprehensive conflict-of-interest disclosures, required recusals, and formally documented approval procedures—affirm and preserve the college’s independence and protect against undue influence from any external individual or organization.</p>	<p>3.7, 3.8, 3.11</p>	<p>Ensures institutional autonomy, appropriate board expertise and autonomy, transparent decision-making processes, transparent delineation of external relationships, and effective safeguards preventing undue influence or conflicts of interest.</p>

<b>Organizational Structure &amp; Leadership</b>	Revised org chart to show greater separation of duties, articulated cabinet structure, and enrollment-driven staffing plans reflected in 3-year org chart indexed to strategic plan and budgets.	3.1, 3.9, 3.11	Employs sufficient and qualified personnel with experience in new institutional start-ups and student support, maintains leadership capacity, and supports effective decision-making and risk management.
<b>Institutional Assessment &amp; Continuous Improvement</b>	Annual board-led assessment of mission, strategy, and student outcomes further strengthened by institutional assessments of strategic plan initiative, budget, and enrollment in January and June annually. January institutional assessment conducted with board satisfaction of excess revenues generated and diversified strategic plan enacted.	4.1, 4.5, 4.6, 4.7	Demonstrates comprehensive quality assurance, evidence-based improvement, faculty involvement, and board self-evaluation.