



NEWS RELEASE

FOR IMMEDIATE RELEASE

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Contact: Russ Heimerich (916) 574-8171

EMERGENCY DECISION HALTS NEW STUDENT ENROLLMENT AT CORINTHIAN COLLEGES' WYOTECH AND EVEREST COLLEGE LOCATIONS

SACRAMENTO – The Department of Consumer Affairs' Bureau for Private Postsecondary Education has issued an Emergency Decision effective at the close of business April 23, 2015, ordering Corinthian Colleges' Everest College and WyoTech locations in California to cease enrolling new students.

The Emergency Decision was issued April 17, 2015 and can be found, along with a list of affected schools, at

http://www.bppe.ca.gov/enforcement/actions/emergency_decision20150417.pdf.

The Emergency Decision was issued after the Bureau determined that the schools did not meet the minimum state standards for financial resources.

Last year, Corinthian Colleges Inc. (CCI) informed the U.S. Securities and Exchange Commission that its efforts to comply with a U.S. Department of Education Operating Order had put significant constraints on Corinthian's resources.

In addition, Everest and WyoTech have failed to provide the Bureau with current financial statements as part of their Annual Reports, as required by law. During inspections of the schools they were unable to produce the required financial statements after repeated requests by the Bureau.

Also, in March of this year the U.S. Department of Education required Corinthian to post a Letter of Credit for more than \$34 million after failing to submit an acceptable annual compliance audit and/or financial statement for the fiscal year ending June 30, 2014.

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Finally, the U.S. Department of Education on April 14, 2015 issued a letter of intent to fine Heald College, one of the schools owned by CCI, nearly \$30 million dollars.

“While this Emergency Decision does not require Everest and WyoTech to cease operating, it is clear that Corinthian’s financial problems mean it is not financially stable enough to enroll new students at Everest or WyoTech,” said Bureau Chief Joanne Wenzel. “We issued the Emergency Decision to protect individuals who may have been thinking about enrolling at these schools.”

Corinthian has the right to ask for a hearing before the Director of the Department of Consumer Affairs before the decision becomes effective. The deadline for filing the request is 5:00 p.m. April 21, 2015.

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The Department of Consumer Affairs promotes and protects the interests of California Consumers. Consumers can file complaints against licensees by contacting the Department of Consumer Affairs at (800) 952-5210. Consumers can also file a complaint online at www.dca.ca.gov.

The Bureau for Private Postsecondary Education promotes and protects the interests of students and consumers through the effective and efficient oversight of California’s private postsecondary educational institutions. Learn more at www.bppe.ca.gov.