

Statement to MJI students

March 1, 2016

It is with heavy hearts and deep concern that we write to inform you of recent events that negatively impact the students of MJI. On Friday February 26, 2016, we were surprised to receive a letter from the U.S. Department of Education in which it stated that it was denying the school's application for recertification in Title IV federal student aid programs, effective February 29, 2016. Recertification is the process used by the Department to renew a school's eligibility to participate in the federal student aid programs such as the Pell Grants. Certification is necessary in order for eligible students of MJI to receive federal student aid.

MJI's application for renewal had been pending with the Department for more than three years. The approach taken by the Department including the process followed is extremely harmful and unfair to our students. After having been considered an eligible institution by the Department for about 17 years, MJI's eligibility has been terminated without due process. Instead, we have been offered the very limited opportunity to submit, within about two weeks, to the person who rendered this decision, any factual information we possess in rebuttal. MJI has already begun the task of preparing a written response to the Department.

As a result of the recent actions of the Department of Education, students at MJI are no longer eligible to receive federal student aid at MJI. All students wishing to continue their studies must now find alternatives to pay their tuition if they wish to remain at MJI. Students who have a tuition balance and are unable to make payment arrangements must discontinue their studies and/or seek to transfer to another school. MJI will seek to determine if a teach out can be arranged with any other schools.

MJI believes it is and has been in compliance with the US Department of Education's rules and those of our accreditor, the Accrediting Council of Independent Colleges and Schools (ACICS). Our operations and objectives comply with regulations governing written arrangements between eligible institutions, such as MJI and other institutions including ones located outside the U.S. MJI has been the subject of several detailed reviews of its records and practices as part of the normal accreditation process and as part of recent extraordinary processes. ACICS engaged in a very detailed review of MJI's programs, practices and filings. ACICS was fully aware of the nature of the programs and the fact that nearly all MJI students were U.S. citizens living in Israel. ACICS concluded that the programs were legitimate career focused programs and that MJI was in compliance with ACICS criteria. As a result, it issued a new grant of accreditation in 2014. The results of ACICS review and determination were communicated to the Department in clear terms. In fact, ACICS, in a letter for the

benefit of the Department in 2014, stated that MJI is fully accredited and in full compliance with its standards and criteria.

The Department's action is extremely harmful and unfair. MJI will contest the action to the fullest extent possible. We will do everything we can to make sure your current credits can be transferred to the institution of your choice.

We would like to conclude by again expressing our deep sorrow and regret about the far reaching impact of the Department's precipitous decision on the many thousands of serious, hard-working students.

At MJI the students felt as part of the MJI family, they were fully dedicated to their studies and to their mission.

MJI was able for over 17 years to provide a kosher haven for many thousands of students who had a mission of completing their degree in a Kosher environment.

We wish you only joy and happiness in your life ahead of you as well as success in all your future endeavors

Michigan Jewish Institute