

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

<b>BENNETT COLLEGE,</b>	)	
	)	
<b>Plaintiff,</b>	)	
<b>v.</b>	)	<b>CIVIL ACTION</b>
	)	<b>FILE NO.</b>
<b>THE SOUTHERN ASSOCIATION</b>	)	
<b>OF COLLEGES AND SCHOOLS</b>	)	
<b>COMMISSION ON COLLEGES INC.,</b>	)	
	)	<b>JURY TRIAL DEMANDED</b>
<b>Defendant.</b>	)	
	)	

**PLAINTIFF BENNETT COLLEGE’S VERIFIED COMPLAINT FOR  
INJUNCTIVE, MONETARY AND DECLARATORY RELIEF**

COMES NOW Bennett College (“Bennett” or the “College”), Plaintiff in the above-styled action, and files this Verified Complaint for Injunctive, Monetary and Declaratory Relief (the “Complaint”) against The Southern Association of Colleges and Schools Commission on Colleges, Inc. (“SACSCOC” or the “Defendant”), showing as follows:

**INTRODUCTION**

1.

This action is filed to ensure the survival of Bennett College, a historically black college and university (“HBCU”) which has served a vital educational and

social need for nearly 146 years. Bennett was founded in 1873 as a school to educate and train freedmen and women. Although originally a co-ed institution, in 1926, Bennett became a four-year women's college and remains as one of only two HBCUs in the country that enrolls only women.

2.

Plaintiff files this action to prevent irreparable harm that will occur if SACSCOC's arbitrary, unreasonable, and unlawful decision to remove the College's accreditation status is permitted to stand. If the revocation of Bennett's accreditation is not reversed and its membership in SACSCOC is not reinstated, Bennett will suffer catastrophic and irreparable harm. SACSCOC's unlawful actions—if not halted—are likely to result in the loss of federal and other financial aid and resources, student withdrawal, and the likely demise of Bennett College.

3.

SACSCOC (and its predecessor) continuously accredited Bennett College since 1935. On December 8, 2018, The Board of Trustees of SACSCOC reversed course and voted to remove Bennett as a member of SACSCOC based solely on issues relating to finances. On February 18, 2019, The Appeals Committee of SACSCOC affirmed the decision of the Board of Trustees, effectively stripping the College of its accredited status.

4.

SACSCOC did not take issue with the quality of Bennett's academic programs or the state of the College's leadership or identify any ethical or legal impropriety. The sole purported basis of SACSCOC's decision was that Bennett did not comply with Core Requirement 13.1 of the *Principles of Accreditation*, which requires an institution to have "sound financial resources" and a "stable financial base to support the mission of the institution."

5.

In making its decision to terminate the College's accreditation status and upholding that decision on appeal, SACSCOC violated its own policies and procedures, the Higher Education Act, and fundamental due process. For example, despite SACSCOC guidance expressly providing that the submission of audited financial statements is not the exclusive mechanism for demonstrating a sound and stable resource base, and thus compliance with Core Requirement 13.1, SACSCOC took the position that "unaudited financial statements are not 'verifiable,'" and should not be considered.

6.

SACSCOC also violated its own rules and Bennett's due process rights by failing to remand the case for further consideration based on Bennett's submission

of new and verifiable financial information. Since SACSCOC's December 8, 2018 decision to revoke Bennett's membership, the College has made considerable improvements to its financial standing and stability. Bennett provided new information not available in December 2018 reflecting fundraising totaling more than \$7 million. These substantial funds were raised from a wide cross-section of new and existing supporters, demonstrating the importance of Bennett College to the community. Bennett also provided evidence of a reduction and forgiveness of debt in the amount of \$1,021,700.

7.

SACSCOC's decision was the result of a flawed process in which SACSCOC failed to apply its standards in a fair and consistent manner. Rather than allow the SACSCOC's Board of Trustees to form an independent conclusion with respect to its evaluation of the new and verifiable financial information submitted by Bennett (as required by SACSCOC's appeals policies), the Appeals Committee made its own determination on the merits that the new financial information did not bring Bennett into compliance with Core Requirement 13.1.

## **PARTIES**

8.

Bennett College is a private four-year historically black liberal arts college for women located in Greensboro, North Carolina. Bennett is incorporated and has its principal place of business in North Carolina. The College was founded in 1873 and receives both governmental and private funding. The College is affiliated with the United Methodist Church and is a member of the United Negro College Fund.

9.

Defendant Southern Association of Colleges and Schools Commission on Colleges, Inc. (“SACSCOC” or the “Association”), is a nonprofit corporation incorporated under the laws of the State of Georgia, with its principal place of business located in Decatur, Georgia, within this judicial district. SACSCOC is an accrediting agency recognized by the Secretary of the United States Department of Education (hereinafter “Secretary of Education”) for the purpose of bestowing institution-wide accreditation on institutions of higher education in the State of North Carolina and ten other southern states, specifically Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, South Carolina, Tennessee, Texas, and Virginia. SACSCOC has published a document entitled Principles of

Accreditation: Foundations for Quality Enhancement (“Principles of Accreditation” or “Principles”), a true and correct copy of which is attached hereto and incorporated herein as Exhibit A, which contains all published accreditation standards SACSCOC applies to institutions of higher education.

### **JURISDICTION AND VENUE**

10.

This Court has jurisdiction over the subject matter of this action under one or more of the following statutory provisions: (1) 28 U.S.C. § 1331 in that this action arises under the Constitution and laws of the United States, including but not limited to the Due Process Clause of the Fifth Amendment to the United States Constitution and the Federal Higher Education Act of 1965, as amended, 20 U.S.C. § 1001 *et seq.*; (2) 20 U.S.C. § 1099b(f), providing exclusive federal jurisdiction for disputes with recognized accrediting agencies; and (3) 28 U.S.C. § 1332 in that there is complete diversity of citizenship between Bennett and the Defendant and the amount in controversy between the College and the Defendant exceeds \$75,000, exclusive of interest and costs. This Court may issue declaratory relief pursuant to 28 U.S.C. § 2201(A).

11.

This Court has jurisdiction over the person of the Defendant.

12.

Venue for this action lies in this judicial district and division under 28 U.S.C. § 1391(b), because the Defendant resides in this judicial district.

### **GENERAL ALLEGATIONS**

#### **A. History of Bennett College**

13.

Like most HBCUs, which were founded because African Americans were barred from attending predominantly white institutions of higher learning, Bennett has a long and storied history of which it is proud. Bennett was originally founded in 1873 to educate freedmen and to train both men and women as teachers. The school held its inaugural classes in the basement of Warnersville Methodist Episcopal Church North (now St. Matthew's United Methodist) in Greensboro. In 1874, the Freedman's Aid Society took over the College, and Bennett remained under its patronage for 50 years. Additionally, shortly after its founding, a group of emancipated slaves purchased the present campus site for the College in Greensboro, North Carolina. College level courses and permanent facilities were then added.

14.

Although originally founded as a coeducational institution, in 1926, the Women's Home Missionary Society helped convert the the school into a women's college. Bennett is one of only two historically black colleges that enroll women exclusively. Bennett currently enrolls about 465 women and since 1930, more than 5,000 women have graduated from the College. Known as Bennett Belles, these women represent achievement in all walks of life. While Bennett's policy is to accept all qualified students without regard to race, creed, or color, its primary mission, which has been present since its inception, is to assist minority and economically disadvantaged students in receiving social equality and economic parity through education.

15.

Since its founding, Bennett has served a vital role in educating women and has accumulated numerous accolades for its quality and academic outcomes. Bennett was recently ranked by U.S. News and World Report as the 15th best college in the United States for black students and 34 out of 111 best regional colleges in the south.



**B. Accreditation History and Remediation Efforts**

16.

SACSCOC is the regional body for the accreditation of higher education institutions in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, and Virginia, that award associate, baccalaureate, master's, or doctoral degrees.

17.

All institutions accredited by SACSCOC are required to undergo a review for reaffirmation of accreditation every ten years. To have its accreditation reaffirmed, an institution must be in compliance with the Association's *Principles of Accreditation*.

18.

A college's eligibility to receive federal funding, including financial aid for students under the Higher Education Act, is contingent upon the college's continued membership in an accreditation association. 34 C.F.R. pt. 600. Thus, a loss of accreditation may sound the death knell for a small, private educational institution like Bennett, which has over 95 percent of its students currently receiving such financial aid.

19.

Bennett has been fully accredited by SACSCOC since 1935. SACSCOC most recently reaffirmed Bennett's accreditation in 2009. Following the 2009 reaffirmation, SACSCOC placed Bennett on probation related to financial issues, but SACSCOC removed Bennett from probation in December 2011. The action was accompanied, however, by a request that Bennett address continued compliance with Comprehensive Standard 3.10.1 (Financial stability) in its Fifth-Year Interim Report, which was due in 2014. Bennett was required to submit a Follow-Up Report to SACSCOC to address certain financial issues as part of its Fifth-Year Interim Report.

20.

In 2015, SACSCOC asked Bennett to submit a Monitoring Report to address its financial stability, including operational deficits, dependence on endowment funds for operations, declining enrollment, and a need to stabilize fiscal operations. Bennett completed the requested First Monitoring Report. Upon review of the First Monitoring Report, SACSCOC found that Bennett had failed to comply with the Core Requirement of Financial Stability and placed Bennett on "Warning" status for twelve months.

21.

Bennett was then asked to submit a Second Monitoring Report by September 6, 2016, including enrollment and net-tuition information, a three-year projected budget, and a narrative summarizing Bennett's recent financial stability. SACSCOC reviewed the Second Monitoring Report and placed Bennett on Probation for 12 months, finding that Bennett failed to comply with Core Requirement 2.2 (Governing Board), Core Requirement 2.11.1 (Financial Resources and Stability), and Comprehensive Standard 3.10.1 (Financial Stability). Specifically, SACSCOC found that Bennett failed to comply with Core Requirement 2.2 because the governing board failed to demonstrate adequate financial oversight and also failed to comply with Core Requirement 2.11.1 and Comprehensive Standard 3.10.1 because it had not demonstrated financial stability. As a result of these findings, SACSCOC commissioned a special committee to visit Bennett's campus and directed Bennett to submit a Third Monitoring Report.

22.

Upon review of Bennett's Third Monitoring Report, SACSCOC decided that Bennett would remain on Probation for an additional twelve months for failure to comply with Core Requirement 2.11.1 (Financial Resources and

Stability) and Comprehensive Standard 3.10.1 (Financial Stability). SACSCOC once again commissioned a Special Committee to visit the College and directed Bennett to submit a Fourth Monitoring Report.

23.

Bennett submitted its Fourth Monitoring Report on September 6, 2018. In its Fourth Monitoring Report, Bennett provided detailed information about its finances, including audited financial statements demonstrating that auditors had included no new recommendations in the audit for the fiscal year ended June 30, 2018, as well as written institutional management letters showing that the College had made progress in addressing auditors' recommendations from prior years. Bennett also explained that it "secured a \$27 million capital improvement loan through the HBCU Capital Finance program" that it used "to construct a Global Learning Center (GLC), Intergenerational Children Center and Honors Residence Hall," as well as to make other improvements to the campus that would help attract students and increase enrollment. Bennett also explained that it had engaged in substantial efforts to tackle the impact its debt had on the availability of funds for operating expenses. For example, Bennett applied for—and received—a six-year deferment of its capital finance loan that obviates the need to make principal and interest payments until fiscal year 2024. This deferment will

result in a substantial financial benefit to the College as interest will not accrue or be capitalized during the deferment period. This will relieve Bennett of a debt obligation of approximately \$1.3 million annually and will result in \$647,000 in annual interest savings. These savings will result in a financial benefit of \$8,935,358 over the six-year deferment period.

24.

Bennett also explained that it is taking steps to increase its enrollment. Specifically, Bennett has retained Royall and Company to help bolster its enrollment. According to projections, Bennett expects to have nearly 700 students at the end of the loan deferment period discussed above, which will generate additional tuition revenue and will put it in a position to satisfy its deferred obligations with respect to the loan. Bennett also explained that it had made a number of other significant changes in order to improve its financial footing, including:

- Eliminating faculty and staff positions;
- Renegotiating service-provider contracts;
- Eliminating underperforming academic programs;
- Implementing a hiring freeze and curtailing non-critical travel expenses;

- Reducing salaries and fringe benefits of remaining faculty and staff; and
- Implementing new fundraising initiatives.

25.

Bennett's hard work has started to pay off. For the first time in five years, Bennett was able to reverse the trend of declining enrollment in fiscal year 2017-2018, realizing a 38% increase in first-year students and a 2.5% increase in overall enrollment.

26.

Over the past two years, Bennett College has made **significant gains in demonstrating it has sound financial resources**. As the SACSCOC Special Committee confirmed in its report dated October 22, 2018, "The audited financial statements with no material weaknesses, \$461,038 surplus in FY2018 and \$694,698 surplus in unrestricted change in new assets, revised annual budget approved by the board for FY2019, deferment of the debt portfolio, significant capital improvements, the increase in institutional fund raising, the increase in student enrollment and retention, the improved federal composite score as well as

the comprehensive strategic plan **is evidence of the College's return toward financial stability.**" See Special Committee Report, attached as Exhibit B, at p. 9.

27.

In addition, Bennett College has demonstrated other accomplishments that contribute to its financial stability:

- During FY 2018, Bennett **generated a surplus of \$461,038** or 3% over total operating revenues. Bennett had no current year audit findings resulting from the financial statements audit or the Uniform Guidance Financial and Compliance Audit Report.
- In 2018, Bennett was approved for a **capital loan deferment** of principal and interest over a six-year period. This literally took an act of Congress. The total expected financial benefit of the deferral is nearly **\$9 million** over the deferment period. Bennett received a reimbursement check from the Department of Education for over \$1.1 million on December 27, 2018.
- Bennett has steadily increased its fundraising for the past three years from \$3.47 million in FY 2016 to \$3.56 million in FY 2017 to \$4.25 million in FY 2018. **In FY 2019, as of February 17, Bennett raised over \$9.5 million.**

- Bennett's enrollment has been trending up for two years. The college exceeded its overall enrollment goal with a total enrollment of 471 as of October 2018 compared to 409 in FY 2017.
- Retention rate is also significantly up from 44% in Fall 2016 to 53% in Fall 2017.
- This FY 2018, the average GPA of new first-year students was 3.2 compared to 2.8 in FY 2017. With these higher GPAs of first years, Bennett expects to continue to improve retention rates.
- Since 2013, Bennett has worked diligently to contain costs, cutting \$4.5 million over 5 years.

28.

Despite cost reductions, Bennett continues to support mission critical activities, academic and student programs, and functions.

**C. December 2018 Adverse Action and Appeal**

29.

On December 11, 2018, Bennett received notification that the SACSCOC Board of Trustees approved the recommendation to remove Bennett from SACSCOC's membership (the "Board Recommendation"). The SACSCOC



Committee on Compliance and Reports Group B reviewed Bennett's Fourth Monitoring Report, financial statements, the Report of a Special Committee, and Bennett's response to that report. According to the Board Recommendation, the decision to remove Bennett from SACSCOC membership was "based solely on finances." SACSCOC informed Bennett that it could present to the Appeals Committee "new and verified information since the adverse action on December 9, 2018."

30.

On January 23, 2019, Bennett appealed the Board's Recommendation. Bennett argued that the "Board's decision was arbitrary, that is, was unreasonable and not based on or consistent with the published Principles of Accreditation or the policies of SACSCOC." Bennett also informed SACSCOC that it was submitting "new and verifiable financial information, material to the adverse decision" regarding the financial resources of Bennett compelling reversal of the decision to remove Bennett from SACSCOC membership. The following is a summary of that new financial information, all of which was submitted to SACSCOC as part of the appeal.

## 1. Fundraising Campaign

31.

Following the December 2018 hearing, Bennett's leadership responded with decisive and strategic action. Every asset, liability, and aspect of financial planning was examined with the goal of increasing the financial stability of the College. Individuals and companies with ideas, resources, and talents pitched in. Bennett also examined its valuable art collection and prepared a major art piece for sale, placed some real estate on the market for sale, and began negotiations with its major lender to restructure its debt.

32.

On December 11, 2018, Bennett commenced a strategic fundraising campaign, #StandWithBennett, aimed at meeting the needed resources to demonstrate financial stability and a positive stream of funds available as unrestricted net assets exclusive of plant and plant debt ("UNAEF"). The social media campaign included various electronic media and reached a broad range of people and entities around the country and the world. President Phyllis Worthy Dawkins and Bennett College representatives were featured in news media outlets, including *The London Times*, *The Chronicle of Higher Education*, *The Atlantic*, NPR, MSNBC, and UNC-TV, to name a few. Student ambassadors and speakers

supporting Bennett were invited to places of worship, community events, and education gatherings. All of the support stemmed from the fact that people understand the importance of Bennett's place in America's higher education landscape.

33.

As a result of the fundraising campaign, Bennett raised over \$9 million in gifts and contributions from July 1, 2018, through February 21, 2019. Bennett received funds in large and small amounts from a broad range of supporters, demonstrating that the education community and the community at large values the important and historic HBCU. In addition to providing funds, which materially improve Bennett's UNAEP, Bennett has developed thousands and thousands of new supporters and contacts. The overwhelming national and international media coverage of the campaign underscores the interest in preserving educational options for those underserved by larger public and private educational institutions.

## **2. Debt Restructuring**

34.

Bennett leadership undertook a reexamination of all of its financial practices, assets and liabilities since the December decision, materially changing its financial policies and practices to assure financial stability.

35.

During the December 8, 2018 meeting with SACSCOC, SACSCOC and Bennett discussed reducing the debt owed to Bennett's most significant Lender by \$240,000. Bennett met with the Lender and restructured its line of credit debt, resulting in a reduction in debt and forgiveness of debt in the amount of \$1,021,700. That material reduction in Bennett's debt service significantly improves its financial stability going forward. This is especially true when coupled with the recent deferment of debt payments owed to the United States Department of the Treasury in the HBCU Capital Financing Program<sup>1</sup> valued by the College's auditors as a \$9 million financial benefit to the College over the 6-year period. These loan reductions and restructuring are material to the financial stability of Bennett and help create a viable financial plan for the future.

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<sup>1</sup> The details of this deferment of principal and interest were outlined in the Fourth Monitoring Report Response filed September 6, 2018, p. 37.

### **3. Future Sale of Assets**

36.

Bennett has also engaged in efforts to turn noncurrent, non-liquid assets into current, unrestricted liquid assets to improve flexibility with supporting operating expenses. For example, Bennett owns several tracts of real estate not currently in use for educational purposes. It is preparing those properties for sale, and they are currently listed with a real estate agent. Bennett will finalize transactions to sell at least two properties within the current fiscal year.

37.

Additionally, Bennett has prepared an important and significant painting for sale. The piece has generated a lot of interest and is currently for sale at a prominent New York gallery. Several potential buyers are considering purchasing the painting as of the date of this filing. Bennett expects this work to generate liquid assets in excess of \$3 million.

### **4. Financial Reports**

38.

Bennett also submitted numerous financial reports describing Bennett's current and future financial positions, including the following:

- a. Unaudited Interim Statement of Financial Position as of December 31, 2018;
- b. Unaudited Interim Statement of Activities as of December 31, 2018;
- c. Unaudited Statement of Cash Flows as of December 31, 2018;

- d. Unaudited Interim Statement of Financial Position as of February 3, 2019;
- e. Unaudited Interim Statement of Activities as of February 3, 2019;
- f. Unaudited Statement of Cash Flow as of February 3, 2019;
- g. Unrestricted Net Assets Exclusive of Plant Assets and Related Plant Debt (UNAEP) as of February 3, 2019;
- h. Unaudited Projected Statement of Financial Position as of June 30, 2019;
- i. Unaudited Projected Interim Statement of Activities as of June 30, 2019;
- j. Unaudited Projected Statement of Cash Flows as of June 30, 2019;
- k. Unrestricted Net Assets Exclusive of Plant Assets and Related Plant Debt (UNAEP) as of June 30, 2019.

39.

These new documents, that were not available during the December 8, 2018 meeting, demonstrate a significant improvement in Bennett's financial standing and stability.

40.

During the December meeting, SACSCOC explained that the central issue for Bennett was that the College needed to show a positive UNAEP calculation in order to demonstrate financial stability. SACSCOC indicated during various

additional SACSCOC meetings that \$4.7 million was a good target given the cumulative deficit that had impacted the UNAEP. Since the December 8, 2018 meeting, Bennett has raised significantly more than the \$4.7 million target discussed by SACSCOC representatives. Bennett has used these funds to address the UNAEP as well as build cash reserves.

**5. Bank Statement**

41.

Bennett submitted to SASCOB a Statement of Financial Position, which as of February 3, 2019, reflected a cash balance of \$5,595,161.

**D. The Appeals Committee Denies Bennett's Appeal**

42.

On February 19, 2019, the Appeals Committee affirmed the Board's Recommendation to strip Bennett of its accreditation. With respect to the new evidence Bennett submitted, the Appeals Committee stated:

The Appeals Committee finds that Bennett College, removed from accreditation based solely on finances, failed to produce new and verifiable evidence since December 9, 2018, that is material to the Board's adverse decision. More specifically, it failed to show that the institution possesses resources demonstrating a stable financial base to support the mission and scope of programs and services. Consequently, the Appeals Committee affirms the action taken by SACSCOC Board of Trustees on December 9, 2018, without remand for consideration of additional financial information presented by Bennett College as part of the appeal.

**Count I**

**SACSCOC Violated Bennett College's Due Process By Failing to Follow its own Rules and Procedures in Deciding to Strip the College of its Accreditation.**

43.

Bennett incorporates the allegations set forth in paragraphs 1 through 42 above as if set forth fully herein.

44.

In deciding to revoke Bennett's accreditation, SACSCOC failed to follow its own rules and policies by failing to remand to the Board of Trustees to consider the impact of the new and verifiable information concerning finances, including its additional fundraising activities and the fact that one of Bennett's lenders had forgiven \$1,021,700 of interest.

45.

The Appeals Procedures of the College Delegate Assembly of SACSCOC state, in relevant part, that

The Appeals Committee shall remand the case . . . if the Appeals Committee finds that an institution, removed from accreditation based solely on finances, has produced evidence that it has available new and verifiable financial information and that the financial information is material to the Board's adverse decision.



46.

The SACSCOC Board of Trustees removed Bennett from membership “based solely on finances.” The Appeals Committee acknowledged that the Board of Trustees stripped Bennett of its accreditation because Bennett failed to comply with financial requirements.

47.

The Appeals Committee was required to remand the case to the Board of Trustees because Bennett “produced evidence that it has available new and verifiable financial information and that the financial information is material to the Board’s adverse decision.”

48.

SACSCOC conceded that the financial information Bennett produced in the appeal concerning the success of Bennett’s fundraising campaign and Bennett’s agreement with a lender to forgive over a million dollars of interest on a loan is both new and verifiable, and that information was material to the Board’s decision to remove Bennett from membership based on its financial standing.

49.

According to its own rules and policies, the Appeals Committee was required to remand Bennett’s case to the Board of Trustees.

50.

The Appeals Committee failed to follow its own procedures. Rather than remand to the Board of Trustees to consider the impact of the new and verifiable financial information on Bennett's financial position, the Appeals Committee improperly decided the merits question, concluding that Bennett "failed to show that the institution possesses resources demonstrating a stable financial base to support the mission and scope of programs and services." This was not a decision that the Appeals Committee was permitted to make in the first instance under the Appeals Committee's own procedures.

51.

SACSCOC also violated Bennett's due process by failing to review Bennett's unaudited financial statements. Despite SACSCOC policies expressly providing that the submission of audited financial statements is not the exclusive mechanism for demonstrating a sound and stable resource base, SACSCOC took the position that "unaudited financial statements are not 'verifiable,'" and should not be considered.

52.

Bennett has been irreparably harmed by SACSCOC's failure to follow its own rules and policies in reaching its decision to revoke Bennett's membership. Consequently, Bennett is entitled to declaratory and injunctive relief.

### **Count II**

#### **SACSCOC Failed to Afford the College Adequate Due Process in Reaching its Decision to Strip the College of its Accreditation**

53.

Bennett incorporates the allegations set forth in paragraphs 1 through 52 above as if set forth fully herein.

54.

As an accrediting body recognized by the Secretary of Education, SACSCOC "must demonstrate that the procedures it uses throughout the accrediting process satisfy due process." 34 C.F.R. § 602.25 (2004).

55.

It is widely recognized that "quasi-public" professional organizations and accrediting agencies have a common law duty to employ fair procedures when making decisions affecting their members.

56.

SACSCOC's own standards entitle its members to due process by providing for remand of any decision that is arbitrary or unreasonable.

57.

SACSCOC denied Bennett due process by failing to follow its own rules, procedures, and policies in deciding to strip Bennett of its accreditation by failing to remand to the Board of Trustees for reconsideration of the new, verifiable, material financial information Bennett provided in its appeal. Its failure to remand to the Board of Trustees denied Bennett the opportunity to be heard before the Board of Trustees on the new evidence Bennett submitted with its appeal.

### COUNT III

#### **SACSCOC's Decision to Strip Bennett of its Accreditation was Arbitrary, Unreasonable, and not Supported by the Record**

58.

Bennett incorporates the allegations set forth in paragraphs 1 through 57 above as if set forth fully herein.

59.

An accrediting association's decision to strip a member of accreditation may be overturned if it is arbitrary and unreasonable, or is not supported by substantial evidence in the record.

60.

SACSCOC stripped Bennett of its accreditation without first remanding to the Board of Trustees to consider in the first instance whether the new evidence Bennett submitted with its appeal warranted reversal of SACSCOC's decision to strip Bennett of its accreditation. Because SACSCOC failed to comply with its

own procedures with respect to how it should have addressed this evidence, SACSCOC's decision to strip Bennett's accreditation is arbitrary, unreasonable, and not supported by substantial evidence.

### **PRAYER FOR RELIEF**

WHEREFORE Bennett asks for judgment:

(1) declaring that SACSCOC failed to follow its own rules and policies in reaching its decision to strip Bennett of its accreditation, and that the decision to revoke the College's accreditation is therefore null and void;

(2) declaring that SACSCOC violated Bennett's due process rights in reaching its decision to strip the College of its accreditation, and that the decision is therefore null and void;

(3) declaring that SACSCOC's decision to strip Bennett of its accreditation was arbitrary and unreasonable, and not supported by the record, and that the decision is therefore null and void;

(4) declaring that SACSCOC violated HEA in reaching its decision to strip the College of its accreditation, and that the decision is therefore null and void;

(5) issuing a preliminary and permanent injunction supplemental to the above declarations: (a) enjoining SACSCOC from notifying the Secretary of

Education of its decision to strip Bennett of its accreditation; (b) restoring the accreditation of the College; and (c) continuing the reaffirmation process in a manner consistent with the Association's rules and policies, and providing the College with its due process rights;

- (6) awarding Bennett attorney's fees and other expenses of litigation;
- (7) granting Bennett College a jury trial as to all issues triable; and
- (8) granting such other and further relief as the Court deems just and equitable.

Respectfully submitted this 22nd day of February, 2019.

/s/ Derin B. Dickerson  
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**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
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<b>BENNETT COLLEGE,</b>	)	
	)	
<b>Plaintiff,</b>	)	
<b>v.</b>	)	<b>CIVIL ACTION</b>
	)	<b>FILE NO.</b>
<b>THE SOUTHERN ASSOCIATION</b>	)	
<b>OF COLLEGES AND SCHOOLS</b>	)	
<b>COMMISSION ON COLLEGES,</b>	)	
<b>INC.,</b>	)	
	)	<b>JURY TRIAL DEMANDED</b>
<b>Defendant.</b>	)	
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**VERIFICATION**

**STATE OF NORTH CAROLINA**

**COUNTY OF GUILFORD**

NOW COMES, Dr. Phyllis Worthy Dawkins, President of Bennett College, Plaintiff, being first duly sworn according to law, and deposes and states that she has read Plaintiff's Verified Complaint for Injunctive, Monetary and Declaratory Relief in the above-styled civil action, and that all facts and statements contained therein are true and correct to the best of her personal knowledge.

*Phyllis Worthy Dawkins*  
Phyllis Worthy Dawkins

Sworn to and subscribed before me  
This 21<sup>st</sup> day of February, 2019.

*Antony...*  
\_\_\_\_\_  
Notary Public

My commission expires: 9/27/2020

(SEAL)

