

AMERICAN INSTITUTE OF LAW

REPORT OF INTERIM INSPECTION FOLLOWING REGISTRATION AS A CORRESPONDENCE LAW SCHOOL

**Inspection conducted on December 5-6, 2017
Pursuant to Rule 4.244(A) of the
*Unaccredited Law School Rules***

Sally Perring, Educational Standards Consultant
Office of Admissions
The State Bar of California

American Institute of Law
18411 Crenshaw Blvd., Suite 416, Torrance, California
A registered, unaccredited correspondence law school.

Introduction

American Institute of Law (AIL) was registered by the Committee of Bar Examiners (Committee) in January of 2016 as an unaccredited, correspondence law school operating, at the time, from administrative offices located in Murrieta, California. In May of 2016 the law school sought and received the Committee's approval to relocate its administrative offices to Torrance, California. As a correspondence law school, AIL has degree-granting authority to offer a Juris Doctor Degree using online technology.

At the time it was registered, the Committee ordered that AIL be inspected within two years of opening to confirm that it is compliant with the *Unaccredited Law School Rules* and each of the relevant *Guidelines for Unaccredited Law School Rules*. To comply with that directive, a two-day inspection was conducted on December 5 and 6, 2017, by Sally Perring, Educational Standards Consultant (Consultant) to the Office of Admissions. The AIL staff participating and assisting in the inspection included: Edward Green, its president, Dean and professor; Melvin Morrison, Vice President and Director of Admissions; and Chester Zaluga, AIL's Administrator and Registrar. To prepare for the inspection, the AIL staff prepared and submitted a comprehensive self-study that discussed the law school's program of legal education and its operations.

The inspection found that AIL is well-organized and is operating compliantly. It currently has an enrollment of 69 students and expects its first class of graduates in 2018. The law school operates with a dedicated Dean, a qualified faculty and an experienced administrative staff. AIL's tuition is very low (\$4,250/year) while its curriculum is offered through a well-supported online platform. The law school's admission and academic policies and standards are sound and it maintains student records and transcripts in a safe and secure manner. The law school compliantly supports the academic and administrative needs of its students, a fact confirmed by confidential emails sent by students to the Consultant, most of who were very supportive of the law school.

Based upon the inspection, AIL is operating compliantly with each of the relevant requirements required by *Unaccredited Law School Rules* (Rules) and *Guidelines for Unaccredited Law School Rules* (Guidelines). It is therefore recommended that the law school's registration be continued, that each of the recommended actions noted below be adopted and that its initial periodic inspection be scheduled to take place during the summer of 2021, unless the Committee finds cause to conduct an early inspection.

Recommended, Suggested Actions:

1. Pursuant to Rule 4.240(D) and Guideline 4.5, AIL should consider increasing the size of its faculty to retain new members with the relevant legal expertise and practical experience to teach all classes in its third and fourth year curriculum.
2. Pursuant to newly-amended Rule 4.240(F), AIL should begin developing new courses designed to teach practice-based skills and competency training.

Specific Findings of AIL's Compliance¹

Rule 4.240(A); Rule 4.240(B): Lawful Operation - Integrity: A registered law school must operate in a lawful, honest and forthright manner as to its financial affairs, its operations, in all print and electronic communications. and as to its academic standards and policies relating to student assessment and discipline.

AIL was found to be operating in a lawful, honest and forthright manner and in compliance with all requirements of each of these Rules and associated guidelines.

Incorporated in 2015, the law school operates as a California for-profit S corporation and, as such, it operates in good standing with the California Secretary of State. It also operates lawfully under a current business license issued by the City of Torrance. AIL's board of directors is comprised of Dean Green and Mr. Melvin Morrison as the corporation's sole shareholders and officers.

Through its website and all hardcopy materials given to its students, AIL communicates in an honest and forthright manner. AIL encrypts all student files to ensure their integrity and confidentiality. As required by Guideline 2.2(C), proper financial safeguards exist to prevent fraud or financial impropriety. The AIL website, its student catalog, admissions application (electronic and hardcopy) and its enrollment agreement all contain the mandatory disclosures required by Guideline 2.3(D). The current Student Disclosure Statement is complete and accurate and, as now required by law, its website posts a current Information Report as required by *Business & Professions Code section 6061.7(a)* which was found to contain the required data.

The law school has adopted policies to operate compliantly with the Americans with Disability Act (ADA) and, where warranted, will offer students with reasonable accommodations for a documented disability. The law school also maintains a compliant tuition refund policy which offers students a 100% refund of all tuition and fees paid if they withdraw from the law school within seven days after starting classes and, thereafter, a *pro rata* refund based upon the timing of their withdrawal.

AIL's academic standards and student assessment policies, including student discipline, are fair and compliant with Guidelines 2.8 and 2.9. As discussed in the AIL catalog, students are graded on numeric, 0.0 – 4.0 grading system, with the grade of 2.0 being a C- and the minimum grade for academic good standing. Students who fail to achieve a cumulative 2.0 grade point average (GPA) after their first year of classes, are placed on probation and given an additional year to achieve a 2.0 GPA, otherwise, they are dismissed. Students are graded anonymously to maintain confidentiality and, as mandated by law, each must pass the First-Year Law Students' Examination (FYLSE) before earning credit for any course work completed after their first year of study.

As required by Guideline 2.9, AIL informs students that anonymous grading is used, how their grades are computed and when they may repeat a class. Students receive

¹ All references set forth herein are to the *Unaccredited Law School Rules* and the *Guidelines for Unaccredited Law School Rules*, effective January 1, 2008 and amended as of October 2017.

comprehensive class syllabi that provide the basis of how their final grades are computed, normally a combination of graded case briefs submitted during the class, along with a midterm and final examination. They are also informed as to the basis of when they will be academically disqualified and the grounds upon those disqualified may petition for readmission. Pursuant to Guidelines 2.10 and 2.11 AIL's online technology compliantly authenticates and maintains the privacy of all student work product and test answers.

Finally, as required by Guidelines 2.9(E), 2.9(G) and 2.9 (H), AIL students have the right to inspect and copy their examination answers and, if they wish, to request and obtain review of their grades by the Grade Review Committee.

Rule 4.240(C) Governance: A registered law school must be governed, organized and administered so as to maintain a sound program of legal education.

AIL is well governed by its officers, Dean and administrators. Dean Edward Green serves in his capacity full-time and he is also the law school's chief academic officer and a member of the faculty teaching AIL's entire first-year curriculum. Dean Green earned his J.D. degree from the former Simon Greenleaf University, School of Law (now Trinity Law School, a California-accredited law school) and is a licensed attorney in both California and Utah. He has extensive expertise and experience as a legal educator having taught at both the Abraham Lincoln University Law School (a registered distance-learning law school) for almost 20 years and at the American Heritage University School of Law, another online, registered law school, before founding AIL.

Dean Green resides near Chicago and teaches remotely, as AIL's technology allows, from his personal residence. He regularly travels to and spends time (at least once a month) at AIL's offices in Orange County. Neither Dean Green's home location, nor his commute to Orange County from Illinois was found, in any way, to impede his abilities or any of his responsibilities as AIL's Dean or as a member of its faculty.

As permitted by Guideline 4.1, with an enrollment of fewer than 100 students, the law school operates with a part-time administrator, Chester Zaluga. He also serves as the law school's Registrar and as a member of its faculty. Mr. Zulaga earned his J.D. degree at the Abraham Lincoln University School of Law (a California registered, unaccredited law school) and is a licensed California attorney. Mr. Zulaga maintains an office at AIL's offices and carries out his duties from that location.

The third administrator is Mr. Melvin Morrison who, prior to joining AIL, worked for many years as the admissions director at Abraham Lincoln University and, later, at American Heritage University School of Law. Mr. Morrison holds a Bachelor's Degree in business administration and has a number of administrative duties, including acting as its deputy registrar, assisting in its admissions process and providing assistance to both applicants and students. He also works at AIL's administrative offices.

Rule 4.240(D) Dean, Administrator and Faculty: A registered law school must have a competent dean or other administrative head and a competent faculty that devotes adequate time to administration, instruction and student counseling.

As noted, Dean Green brings over two decades of experience to AIL as both a legal educator and a law school administrator. Given such experience, he is well qualified. AIL's current faculty consists of four professors: Dean Green, Messrs. Michael Dowd and Zaluga and Ms. Sheldrin Ruiz. Dean Green teaches all of the first-year curriculum classes while, with fewer than 15 second and third-year students, Professor Dowd teaches each of the classes in AIL's second and third-year curriculum. Professor Ruiz has recently been hired to start teaching additional third year classes. All of AIL's professors are qualified given their prior experience as a licensed attorney in California.

As the number of its third and fourth-year students grows increases (there were only five such students at the time of the inspection), it is recommended that the size of AIL's faculty increases as well. To achieve this goal, Dean Green has confirmed that he intends to recruit and retain additional, qualified faculty members with the relevant legal expertise to teach both mandatory and elective third and fourth-year classes.

As required by Guideline 4.8, AIL has adopted a compliant written policy to carry out faculty evaluations. Such evaluations are based upon a combination of both student-based feedback (provided anonymously online) and class audit conducted by other faculty members, including Dean Green. The policy provides that faculty members are to be evaluated in a manner that includes all criteria required by Guideline 4.8 to judge the competence and effectiveness of each professor's teaching style and content.

Rule 4.240(E) Educational Program: A registered law school must maintain a qualitatively and quantitatively sound program of legal education.

AIL has developed and offers a four-year program that leads to a Juris Doctor degree through the use of online technologies. It uses two commercially-available software programs. They are: Populi, which provides students' access to a Learning Center which contains class syllabi, textbook reading assignments and a library of video-taped lectures of classes, study aids and reference materials. The other online program is MegaMeeting which supports live, synchronous class lectures and allows students and instructors to speak and interact in real-time as they would in a fixed-facility classroom.

With this technology, classes are taught using both synchronous and asynchronous course content that includes both live and video-taped class lectures. Faculty members prepare and give live lectures for each reading assignment. All lectures are digitally archived for viewing (24/7/365) by students. Each has the option of attending the live lectures or watching them as archived. Regardless of which method they choose, each student must complete all reading and case briefing assignments before they watch each class session. AIL maintains computerized study logs for students to record each hour they spend engaged in study, which allow both the professors and students to monitor and meet the minimum (864) annual, hourly study requirement.

Each member of the AIL faculty is required to maintain posted “office hours” (usually sometime between 10:00 a.m. and 5:00 p.m. Mondays through Fridays, so they are available to students by telephone or email, or by a specific agreed-upon appointment.

AIL’s program is quantitatively compliant since it meets and, in fact, exceeds the minimum academic requirements set by Guidelines 5.1 and 5.3(B). As required by Guideline 5.3(B), the curriculum covers four calendar years (with each academic year being the maximum of 52 weeks) each of which requires students to engage in no less than 1040 hours of study and preparation in the first and fourth years, with a minimum of 1060 hours during the second and third years. Study and preparation includes case briefing and/or other types of writing assignments, as well as student participation or viewing of class lectures and workshops. Most courses have both a midterm and a final exam and students must take and pass a total of 104 units of classes to graduate; with each unit comprised of no less than 40 hours of study, class viewing and review, the law school’s curriculum meets the requirement of Guideline 5.3(B).

As described in the AIL Catalog, all classes are taught *seriatim*; with all substantive classes in each year of the curriculum taught through eight to 18 week sessions. Each substantive first-year classes (Introduction to Law, Torts, Contracts, Criminal Law and Legal Research and Writing) covers 14 weeks and provides students with a sound foundation to pass the First Year Law Students’ Examination FYLSX. Dean Green uses nationally-recognized texts and supplemental materials. First year students must take and pass a three-unit FYLSX preparation to be certified to sit for the examination.

Second and third year classes are taught in alternating years, while until its enrollment is a sufficient size all fourth-year classes will be offered annually. As required by Guideline 5.10, the curriculum includes classes that cover all subjects tested on the California Bar Examination (CBX), as well as a research and writing class. The AIL curriculum does not, currently, offer any electives that teach practical skills classes or competency skills, other than an advanced research and writing class.

With its recent amendment by the Committee, a key registration requirement found in Guideline 4.240(F) now requires that students at each registered law school complete at least six semester units (or their online equivalent) of course work that teaches practice-based skills and competency training before they are awarded their J.D. degree. To meet this requirement, it is recommended that AIL begin to develop new courses that will offer students such practical skills training, e.g. trial practice, moot court, client counseling, document drafting, mediation, arbitration and negotiation skills.

Notwithstanding this need, AIL was found to currently meet all requirements set out to judge the quantitative and qualitative soundness of its program of legal education.

Rule 4.240(F) Scholastic Standards: A registered law school must adopt sound scholastic standards must as soon as possible identify and then disqualify those students who have demonstrated they are not qualified to continue.

As required by Guideline 5.18 through Guideline 5.24, AIL has adopted and maintains compliant academic standards to evaluate its students and to determine whether they achieve and maintain good standing, when they should be placed on probation or

academically dismissed. AIL uses a traditional numeric scale for grading, with grades ranging from 0.0-4.0; 2.0 is a “C” and is the minimum cumulative grade point average for good academic standing. Students who fail to achieve and maintain academic good standing at the end of any year of study are placed on academic probation and they must, by the end of the following year, to raise their cumulative grade point average to good standing, otherwise they will be dismissed. A student must take and pass all required classes and maintain good standing to graduate from AIL.

Grading standards, especially in the first-year curriculum, were good and indicated that grade inflation is not an issue at AIL. The grades of only one instructor were found to be particularly narrow in terms of what constituted the top grades given from the lowest. Overall, however, in compliance with Guideline 5.20, the law school’s grading standards properly evaluate each student’s advancement to determine whether or not they performing well enough to achieve a GPA sufficient to allow them to remain enrolled.

As confirmed in AIL’s Annual Report, 52% of all grades issued during the 2016-2017 academic year were a grade of 2.0 (C) or below, including 23% of grades below a D, including multiple F’s. As required by Guidelines 5.21 and 5.22, AIL students receive with written notice that, to remain enrolled and earn credit for any second year study, that they must take and pass the FYLSX no later than the third administration of the examination after they first become eligible, or otherwise they must be dismissed.

AIL informs its students that they are graded anonymously and it has a written policy that controls when a student may repeat a course. The policy sets describes how the grade in the class being repeated and how it will be used to calculate a student’s revised grade point average and, as required by Guideline 5.23, the policy provides that no duplicative credit will be given for the repetition of any class taken more than once.

As described above, AIL has all necessary policies, practices procedures to maintain sound and compliant scholastic and academic standards.

Rule 4.240(G) Admissions: A registered law school must adopt a sound written admissions policy and must not admit any student obviously unqualified or who does not appear to have a reasonable prospect of completing the degree program.

AIL has adopted and maintains a sound admissions policy that compliantly assess the academic qualifications and intellectual aptitude of those granted admission. As mandated the State Bar’s *Admissions Rules* and Guidelines 5.27 and 5.28, only those applicants with the minimum pre-legal education of 60 units of acceptable college credit, or a Bachelor’s degree from an accredited college or university are admitted. The majority of AIL students, however, hold at least a Bachelor’s degree. As confirmed in its 2017 Annual Report, they included graduates of several campuses of the California State University, U.S.C., Arizona State University and the University of Washington, among others. As with many registered law schools, AIL does not require that applicants report a score on the Law School Admissions Test (LSAT) to be admitted.

All foreign-educated students are required to have their transcripts properly evaluated and confirmed before they are admitted. AIL has admitted relatively few “special

students,” *i.e.*, applicants without the minimum undergraduate education but who take and receive sufficiently acceptable scores on three College Level Equivalency Program (CLEP) examinations, which is permitted by statute and the *Admissions Rules*.

AIL will consider and admit students with prior study at another law school, including those academically disqualified and those who left in good standing. Those who apply to AIL after being previously dismissed are required to write a separate statement explaining the circumstances leading to their dismissal, and why they are better prepared to succeed. Almost all students admitted with prior legal education do so under the Committee’s “start over” policy which allows students to start again as first-year students without any credit they earned previously at their prior law school.

Dean Green also seeks to screen all potential applicants on the basis of their moral character so as to avoid a situation where an applicant is admitted but who, due to something in their past, stand a very small chance of being admitted to practice law in California. Where warranted, such applicants are personally counselled and then discouraged from applying or attending law school. Subsequent to the visit the school updated its application form to also inquire about loss of trade or professional license.

While AIL did not previously admit auditors, it recently decided to do so under certain circumstances. As a result, its catalog has been revised to note that someone may apply and be accepted as an auditor.

Based upon each of the foregoing, AIL’s admissions policy, procedures and standards were found compliant with each of requirements set forth in the Rules and Guidelines.

Rule 4.240(H) Library Requirements: A registered law school must maintain a library consistent with the minimum requirements of the Committee.

Under Guideline 6.2, AIL is compliant with the library content requirements of a correspondence law school by providing each student with access to an acceptable online law library. To meet this requirement, AIL maintains a master account with WestLaw and gives each of its faculty members and all students with 24/7 access to all legal authorities, case reports and California statutes as required by Guideline 6.2.

In addition to the legal library it offers students electronically, AIL also maintains in its offices (as also required by Guideline 6.2) hardcopy versions of each of the text books and treatises to be used by its students in each of the classes offered in its curriculum.

Rule 4.240(I) Physical Resources: A registered law school must have physical resources and an infrastructure adequate for its programs and operations.

AIL operates from administrative offices located in an historic, 19th Century courthouse that was moved from Iowa to Orange County early last century. Its offices consist of a small conference room, large enough to hold meetings, and two auxiliary offices where its files and computer equipment are stored. The offices are equipped with three desks, computers and a monitor and are sufficient for the needs of the law school. They can be used by members of the faculty to conduct their online lectures. All technology is pass word protected and is secure with adequate backups from multiple locations.

In addition to electronic storage of all records, the law school maintains hard-copy files on all students. The law school recently purchased a new fireproof filing cabinet to house the hard-copy files and other records of the law school.

Rule 4.240(J) Financial Resources: A registered law school must have adequate present and anticipated financial resources to support its programs and operations.

As noted in its profit and loss statement and balance sheet, AIL appears financially solvent and sufficiently well capitalized. It has stated assets of \$125,000 in cash reserves, and a relatively small sum of current liabilities. As to its stated income and expenses, the law school reports that it started earning a small profit soon after it was opened. Administrators and faculty take modest salaries while all other expenses, such as rent, software license fees, are covered by current student tuition. Students pay a fee for access to WestLaw that covers the full expense of that service.

AIL charges its students \$4,500 per year, composed of tuition of \$4,250, a non-refundable \$100 registration fee, and a \$150 WestLaw fee. Currently it is offering \$1,000 “scholarships” to new students as an incentive to enroll. To help them self-finance their education, students are offered an installment plan to pay their tuition.

In light of its currently reported assets, AIL appears to be sufficiently financed at this stage of its operations and development and therefore appears to meet each of the financial requirements found in Guideline 8.1, *i.e.*, it has sufficient resources to: a) provide all of the educational services in its program of legal studies; b) ensure that all students admitted have a reasonable opportunity to complete AIL’s four-year program and obtain their degrees; and, c) be able to pay all requested tuition refunds promptly.

Rule 4.240(K) Records and Reports: A registered law school must maintain adequate records of its programs and operations.

AIL has developed and uses proper procedures to maintain all student records and files required by Guideline 9.1. They include those that pertain to its applicants, document the admission decisions for each of its enrolled students and, once enrolled, their examinations, answers, academic transcripts and a file for each of its current faculty members which includes all materials required by 9.1(H).

The law school stores all such records in both electronic and hard-copy files and all are stored in the offices in Torrance in appropriate, secured file cabinets. All electronic student files and transcripts are stored in an Internet, cloud-based program to ensure that all operational and academic data is compliantly stored under Guideline 2.11. Similarly, all hardcopy records are now stored in appropriate fire-proof filing cabinets.

Rule 4.240(L) Equal Opportunity and Non-Discrimination: Consistent with sound educational policy and the *Unaccredited Law School Rules*, a law school should demonstrate a commitment to providing equal opportunity to study law and in the hiring, retention, and promotion of faculty without regard to sex, race, color, ancestry, religious creed, national origin, disability, medical condition, age, marital status, political affiliation, sexual orientation, or veteran status.

While AIL has no written policy regarding Equal Opportunity and Non-Discrimination, it has demonstrated, both in its admissions decisions and hiring practices to maintain a high degree of diversity and equal opportunity. Over 50% of its enrollment, as reported in the 2017 Annual Report self-identify with minority racial and ethnic groups, while its current faculty, while small, and will soon be at 33% female.

In light of these statistics, the law school should consider adopting a formal policy memorializing its current opportunities and aspirations for all offered by the law school.

Rule 4.240(M) Compliance with Committee Requirements: A registered law school must demonstrate its compliance with *Unaccredited Law School Rules* by submitting the required annual reports and otherwise complying with the rules.

Since its initial application, throughout the entire registration process and during its first two years of operating as a registered school, AIL has established a strong record of compliance with both the *Unaccredited Law School Rules* and the *Guidelines for Unaccredited Law School Rules*. As a result, it has a history of timely filing each of enrollment certifications and its Annual Compliance Reports. Additionally, the law school has fully and rapidly cooperated with all requests of the Committee and the Consultant to help prepare for the interim inspection.

Conclusion and Recommendation

Based upon each of the findings and conclusions discussed above, it is recommended that this Report be received and filed by the Committee, that each of the suggested recommendations noted above be adopted; that, pursuant to Rule 4.244(A), the registration of American Institute of Law as an unaccredited, correspondence law school be continued; and that its initial periodic inspection be scheduled for the summer of 2021, unless an earlier inspection is deemed necessary by the Committee.