

IN THE CIRCUIT COURT OF THE THIRTEENTH JUDICIAL CIRCUIT
IN HILLSBOROUGH COUNTY, FLORIDA
CIVIL ACTION

OFFICE OF THE ATTORNEY GENERAL,
STATE OF FLORIDA,
DEPARTMENT OF LEGAL AFFAIRS,

Plaintiff,

v.

CASE NO.:

ELLENWOOD ACADEMY, LLC,
A Florida Limited Liability Company; and
JOSEPH WILLIAMS, individually and
as an officer of ELLENWOOD ACADEMY, LLC,

Defendants.

**COMPLAINT FOR INJUNCTIVE RELIEF, CIVIL PENALTIES AND
OTHER STATUTORY RELIEF**

Plaintiff, Office of the Attorney General, State of Florida, Department of Legal Affairs (“Attorney General”), sues Defendants, Ellenwood Academy, LLC, a Florida limited liability company, and Joseph Williams, individually and as an officer of Ellenwood Academy, LLC (collectively “Defendants”), and alleges the following:

JURISDICTION AND VENUE

1. This is an action for injunctive relief, consumer restitution, civil penalties, attorney’s fees and costs, and other statutory and equitable relief against

Defendants, in excess of \$15,000.00, pursuant to the Florida Deceptive and Unfair Trade Practices Act (“FDUTPA”), Chapter 501, Part II, Florida Statutes (2018).

2. This Court has jurisdiction over the subject matter pursuant to the provisions of FDUTPA. The granting of injunctive and other equitable and statutory relief is within the jurisdiction of the Circuit Court and the amount in controversy satisfies the jurisdictional threshold of the Circuit Court.

3. The principal place of business of Ellenwood Academy, LLC is located in Hillsborough County, Florida.

4. The violations alleged herein affect or occurred in more than one judicial circuit in the State of Florida.

5. Venue is proper in the Circuit Court of the Thirteenth Judicial Circuit, in and for Hillsborough County, Florida pursuant to Section 47.011, Florida Statutes (2018).

6. All actions material to this Complaint have occurred within four years of the filing of this Complaint.

7. At all times material to this action, Defendants were engaged in trade or commerce as defined in Section 501.203(8), Florida Statutes (2018).

PLAINTIFF

8. The Attorney General is an enforcing authority of FDUTPA pursuant to Sections 501.207 and 501.2075, Florida Statutes (2018), and is authorized to bring this action and to seek injunctive and other statutory relief.

9. The Attorney General conducted an investigation of the alleged matters and Attorney General Ashley Moody determined that this enforcement action serves the public interest, as required by Section 501.207(2), Florida Statutes (2018).

DEFENDANTS

10. Ellenwood Academy, LLC (“Ellenwood”), is a Florida limited liability company with its principal place of business located at 15310 Vireoglen Lane, Lithia, Florida 33547.

11. Defendant Joseph Williams (“Williams”) is an individual residing in Hillsborough County, Florida. Williams is an owner, officer, and manager of Ellenwood.

12. At all times material to this Complaint, Williams formulated, directed, controlled, had authority to control, and directly participated in the acts and practices engaged in by Ellenwood as set forth in this Complaint.

FACTUAL ALLEGATIONS

13. Since at least 2012, Defendants have operated an online high school that purports to sell high school diplomas to consumers nationwide.

14. Defendants hold Ellenwood out as a legitimate secondary school, claiming on Ellenwood's website that consumers can get their "accredited online high school diploma" by enrolling in Ellenwood's high school diploma program.

15. Defendants offer consumers a "Graduation Package" that includes a high school diploma, an official transcript, a wallet-sized diploma, a verification service, and free priority mail.

16. In reality, Defendants do not issue valid high school diplomas that help consumers gain enrollment in higher education institutions or obtain employment.

17. Defendants also do not operate a meaningfully accredited online high school.

Defendants Misrepresent That Consumers Can Use Their Diplomas as Valid High School Equivalency Credentials

18. Defendants market and sell illegitimate high school diplomas through a website, www.ellenwoodacademy.com ("Website").

19. Williams is the registrant of the Website with SiteLock, LLC, a company that provides protection and monitoring services for the Website.

20. Defendants' Website contains misrepresentations regarding the value of enrolling in Ellenwood's high school diploma program and receiving a purported high school diploma from Ellenwood. Defendants' Website contains the following misrepresentations:

a. “Successfully going through our **Accredited Online High School Diploma** Completion Program can open doors to a better future.”

[Emphasis in original.]

b. “Our mission is to help individuals reach their long term goals by providing opportunities to enhance their professional skills and marketability.”

c. “Even a person who already has a GED will benefit from obtaining their High School Diploma online.”

d. “With our programs you can Earn Your High School Diploma Online and get ahead in life.”

e. “You will now have the credentials necessary for most jobs in all 50 states” in response to Frequently Asked Question “What will I be able to use my diploma for?”

21. Contrary to these claims, receiving a diploma from Ellenwood provides virtually no benefit to consumers.

22. Defendants charge consumers \$195.00 to enroll in their high school program.

23. Defendants do not employ any teachers, professors, or faculty.

24. Defendants have no curriculum, course descriptions, prerequisites, or course requirements for any of the course titles that appear on their transcripts.

25. When consumers follow the “Enroll Now” link on Defendants’ Website to find “[a]vailable courses,” no educational courses are listed and instead consumers find the options of “Free Practice Exam,” “High School Diploma Online Payment Plan,” “High School Diploma,” “High School Transcript Fee (\$15),” and “Replacement Diploma (\$30).”

26. Defendants do not provide instruction to consumers and do not require course work from consumers before they take the online exam.

27. Defendants offer consumers the ability to retake the online exam as many times as needed until the consumer passes the exam.

28. Consumers simply pay the fee, take the online exam until they receive a passing score, and provide a driver’s license or birth certificate in order to receive a diploma from Ellenwood.

29. Consumers who attempt to enroll in higher education institutions using an Ellenwood diploma learn that Ellenwood’s diplomas are invalid and are not accepted by the higher education institution. By way of illustration, consumer Diania Leonard reports, “I went to Southern Tech to sign up for college and I was told by Southern Tech that the diploma I have is not accredited by the Department of Education but on Ellenwood Academy’s website it says that they are accredited.”

30. An inquiry to the Admissions Director at every university in Florida's State University System showed unanimously that a high school diploma from Ellenwood would not be considered acceptable for admission to a state university.

31. Additionally, consumers who apply for employment using an Ellenwood diploma learn that Ellenwood's diplomas are invalid and are not accepted by the employer.

32. Defendants do not provide clear and conspicuous disclosures in writing that consumers will receive a correspondence school diploma rather than a traditional high school diploma.

33. To the extent that the Website contains any purported disclosures, they are buried on a separate "Terms & Conditions" link at the bottom of the "High School Diploma" tab on Defendants' Website and are not of sufficient prominence in terms of placement, size, font, color, and duration of appearance.

34. To the extent that the Website contains any purported disclosures, no disclosures are presented in a coherent and meaningful sequence with respect to other terms.

35. To the extent that the Website contains any purported disclosures, no disclosures are made on the same page as other terms, statements, or representations.

36. Consumers are not required to review any terms or conditions prior to enrolling at Ellenwood.

37. Consumers are not required to acknowledge any terms or conditions prior to enrolling at Ellenwood.

38. Therefore, any purported disclosures on the Website are not clear and conspicuous and do not negate the overall net impression of the Website that consumers can successfully use Defendants' diplomas as valid high school equivalency credentials when seeking enrollment in higher education institutions or applying for employment.

39. Defendants misrepresent the value of Ellenwood Academy's diplomas.

40. Defendants refuse to issue refunds to consumers who discover that Ellenwood Academy Diplomas are not recognized high school diplomas.

Defendants Misrepresent That They Operate an Accredited, State-Recognized Online School

41. Defendants attempt to legitimize their diploma mill by misrepresenting that their online "school" is state-approved and accredited.

42. The home page of the Website has included the Florida Department of Education's School Choice logo with the phrase "School Code 6930" listed underneath.

43. Defendants' Website has stated:

- a. "Ellenwood Academy is a registered private school with the Florida Department of Education and our school code is 6930."
- b. "We are listed in the Florida Private Schools Directory."

c. “Yes, Ellenwood Academy is registered with the Florida Dept. of Education and our school code is 6930. We are accredited by the Accrediting Commission International (ACI), one of the largest and highly respected accrediting bodies in the country.”

44. However, private schools in Florida are not licensed, approved, accredited, or regulated by the Florida Department of Education (“DOE”) and Ellenwood specifically is not licensed, approved, accredited or regulated by the Florida DOE.

45. Defendants’ registration in Florida’s School Choice program is merely a ministerial act, based solely on their own self-reported answers to the Florida DOE’s annual private school survey.

46. According to the Florida DOE, inclusion of Ellenwood’s information in the private school directory, maintained by the Florida DOE, does not imply approval or accreditation by the Florida DOE.

47. The agency that purports to accredit Ellenwood, the Accrediting Commission International, Inc. (“ACI”), is not recognized by the Florida DOE.

48. In fact, ACI is not associated with any state or federal agency, a fact Defendants bury after a lengthy discussion on their Website of accrediting agencies which are recognized by the United States Department of Education, but which have nothing to do with Ellenwood or ACI.

49. The representations on Defendants' Website regarding Ellenwood's affiliation with the Florida Department of Education are material and are likely to mislead a reasonable consumer to believe that Ellenwood is approved or accredited by the Florida DOE, thereby attempting to give legitimacy to Defendants' sham high school diploma program.

COUNT I
VIOLATIONS OF FDUTPA
CHAPTER 501, PART II, FLORIDA STATUTES (2018)

50. The Attorney General incorporates and adopts by reference paragraphs 1 through 49 as if fully set forth herein.

51. Section 501.204(1), Florida Statutes (2018) makes illegal "unfair methods of competition, unconscionable acts or practices, and unfair or deceptive acts or practices in the conduct of any trade or commerce are hereby declared unlawful."

52. Further, in construing Section 501.204(1), Florida Statutes, Section 501.204(2), Florida Statutes (2018) provides that "due consideration and great weight shall be given to the interpretations of the Federal Trade Commission" relating to section 5 of the Federal Commission Act, 15 U.S.C. s. 45(a)(1).

53. In its Guides for Private Vocational and Distance Education Schools, 16 C.F.R. 254, the Federal Trade Commission has issued administrative interpretations addressing the application of Section 5 of the Federal Trade

Commission Act, 15 U.S.C. § 45, as it relates to the advertising, promotion, marketing, and sale of programs of instruction offered by private distance education schools.

54. Pursuant to The Code of Federal Regulations, “It is deceptive for an Industry Member to misrepresent, directly or indirectly, expressly or by implication, the nature, extent, or purpose of any Approval by a State or Federal agency or Accreditation by an accrediting agency or association. For example, an Industry Member should not: Represent, without qualification, that its school is Accredited unless all courses and programs of instruction have been Accredited by an accrediting agency recognized by the U.S. Department of Education.” 16 C.F.R. 254.3(a)(1).

55. Pursuant to The Code of Federal Regulations, “It is deceptive for an Industry Member to offer or confer a high school diploma unless the program of instruction to which it pertains is substantially equivalent to that offered by a resident secondary school, and unless the student is informed, by a clear and conspicuous disclosure in writing prior to enrollment, that the Industry Member cannot guarantee or otherwise control the recognition that will be accorded the diploma by institutions of higher education, other schools, or prospective employers, and that such recognition is a matter solely within the discretion of those entities.” 16 C.F.R. § 254.6(c)

56. Defendants are Industry Members, as that term is defined in 16 C.F.R. § 254.1(c).

57. Defendants engaged in representations, acts, practices, or omissions which are material, and which are likely to mislead consumers acting reasonably under the circumstances.

58. Defendants engaged in deceptive or unfair acts or practices in the conduct of trade or commerce in violation of Section 501.204(1), Florida Statutes.

59. Defendants have violated and are continuing to violate 501.204(1), Florida Statutes (2018) by misrepresenting the value of an Ellenwood high school diploma. Defendants misrepresentations include overstating the value of a high school diploma from Ellenwood by claiming consumers will “have the credentials necessary for most jobs in all 50 states.” In fact, consumers with an Ellenwood diploma have been unable to obtain or maintain employment because employers do not accept the Ellenwood diploma because it is not valid.

60. Defendants have violated and are continuing to violate Section 501.204(1), Florida Statutes (2018), by purporting to confer a high school diploma when its program of instruction is not substantially equivalent to that offered by a resident secondary school. Defendants do not offer any coursework to support the transcript they provide consumers, and base their high school diploma entirely on

completion of a single online, multiple-choice exam that can be retaken as many times as necessary without penalty to reach a score of seventy or better.

61. Defendants have violated and are continuing to violate Section 501.204(1), Florida Statutes (2018), by representing without qualification that Ellenwood is accredited when it has not been accredited by the Florida DOE or an accrediting agency that is recognized by the U.S. Department of Education.

62. Defendants knew or should have known that their conduct was unfair or deceptive or prohibited by statute.

63. The above-described acts and practices of the Defendants have injured and will likely continue to injure and prejudice the public.

PRAYER FOR RELIEF

WHEREFORE, the Attorney General respectfully requests that this Court:

A. Temporarily and permanently enjoin Defendants and their officers, agents, servants, employees, and those persons in concert or participation with them who receive actual notice of the Court's injunction from operating Ellenwood Academy or otherwise selling sham high school diplomas;

B. Assess civil penalties against Defendants pursuant to Section 501.2075, Florida Statutes (2018) in an amount not to exceed \$10,000 per violation;

C. Award the Attorney General reasonable attorney's fees and costs pursuant to the provisions of FDUTPA, and as otherwise allowable by applicable statutes;

D. Enter final judgment, jointly and severally, against Defendants for consumer restitution, disgorgement of profits, civil penalties, costs and reasonable attorney's fees;

E. Impose a constructive trust over all sums through which Defendants have been unjustly enriched; and,

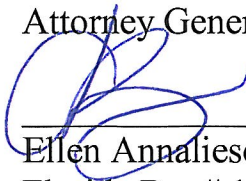
F. Award such other relief as the interests of justice shall require and that this Honorable Court may deem just and proper.

Dated this 25th day of March, 2019.

Respectfully submitted,

STATE OF FLORIDA

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