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National American University Holdings, Inc.

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NATIONAL AMERICAN UNIVERSITY HOLDINGS, INC AND SUBSIDIARIES

FORM 10-K

INDEX

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document and the documents incorporated by reference herein contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. We may, in some cases, use words such as "project," "believe," "anticipate," "plan," "expect," "estimate," "intend," "should," "would," "could," "potentially," "will" or "may," or other words that convey uncertainty of future events, future financial performance, expectations, regulation or outcomes to identify these forward-looking statements. These forward-looking statements include, without limitation, statements regarding proposed new programs, statements concerning projections, predictions, expectations, estimates or forecasts as to our business, financial and operational results and future economic performance, and statements of management's goals and objectives and other similar expressions concerning matters that are not historical facts.

Our Core Values

Since inception, the following core values have guided the university, which we believe have contributed to our success in obtaining and retaining students and faculty:

- offer high quality instructional programs and services;
- provide a caring and supportive learning environment; and
- offer technical and professional career programs.

These core values have remained our foundation as we expanded from a single education site offering specialized business training to a multi-state, diversified, educational institution with diploma, associate, baccalaureate, master's, and doctoral degrees. We promote understanding and support of our mission and core values through participation of students, faculty, staff administrators and the board of governors in the governance and administrative structures of the university. We have adopted and implemented policies and procedures to ensure adherence to our core values and to operate with integrity as we fulfill our mission.

Our commitment to these core values is evidenced in the daily interactions among our students, faculty, staff, and administrators:

- the strong academic and learning support structures, services, and resources for students;
- the overall ease of the registration process;
- the transferability of credits;
- the career-focused professional and technical programs;
- the caring and supportive attitude by faculty toward students; and
- the opportunity to specialize learning through program emphasis areas.

Approach to Academic Quality

We have identified several academic initiatives to promote a high level of academic quality, including:

The urgency of now is to assist working adults in getting the credit they deserve at NAU; to teach, assess, mentor, and support until every student acquires the skills, knowledge, and abilities they need; and to create policies, processes, programs, and learning experiences that exceed expectations.

We are reconceiving the entire student experience online and updating all assignments, assessments, and competency clusters across learning outcomes in ways that allow them to be unbundled into micro-credentials or integrated into new course and program combinations. We design our curricula to address specific career-oriented objectives we believe working adult and other non-traditional students are seeking. We have invested significant human and financial resources in the implementation of this curricula development to support faculty and students in achieving prescribed student learning outcomes. The performance-based curricula are designed and delivered by faculty members who are committed to delivering a high quality, current and relevant education to prepare students for their professions.

Our competition differs in each market depending on the curriculum offered. Because schools can add new programs in a relatively short period of time, typically within six to twelve months, new competitors within an academic program area can emerge quickly.

Certain institutions have competitive advantages over us. Non-profit and public institutions receive substantial government subsidies, government and foundation grants and tax-deductible contributions and have other financial resour9u

We believe in providing individual attention to our students to ensure an excellent educational experience. We provide student support services, including administrative, financial aid, library, career, and technology support, to help maximize their success. We also provide personal guidance to our students during the admissions process, academic advising, financial services, learner support and career services.

We have designed our program offerings and our online delivery platform with flexible scheduling to meet the needs of working adults and other non-traditional students. We offer on-site day, evening, and weekend classes, as well as online and blended degree and diploma programs. We believe working adults and other non-traditional students are attracted to the convenience and flexibility of our programs because they can study and interact with faculty and classmates during times and at places that suit their needs.

In collaboration with the IT team, academic leaders have developed and launched or will launch three new cloud-based comprehensive service points for math, writing, career, and library support—as well as 24/7 student support. The results from previous quarters indicate that the successful completion rate in math has risen. Use of the math and writing support systems and tutoring have doubled in the past year. The IT team in collaboration with academics developed ROCKET and TEAMS 3, a cloud-based version of NAU's signature undergraduate persistence and completion system to improve faculty and advisor response time. The cloud-based system allows faculty, advisors, campus directors, and college and associate deans to track student progress, attendance, grades, posted assignments, etc., to intervene proactively if a student becomes in any way at risk. The university has also implemented a new process to ensure that faculty and directors of student success respond to at-risk student alerts within 24 hours and post a resolution within 48 if at all possible.

Over the course of spring and summer quarters all new and continuing undergraduate faculty complete an orientation on new expectations for weekly synchronous and asynchronous faculty-student engagement in discussion boards, assignments, labs, and other support within every course. Faculty evaluations now include the expectation for substantive and iterative engagement; new expectations for discussions are now in place for students and faculty; and the ongoing overhaul of all courses is embedding new technology tools that enhance engagement and synchronous interaction.

Within the Harold D. Buckingham Graduate School, the graduate and undergraduate faculty worked collaboratively to host the first conference on faculty scholarship and the adult learner. The 2017 iteration will focus on increasing awareness, showcasing graduate faculty and student research and scholarship, and improving publicity and participation. The new process to ensure faculty and student scholarship and research in the master's programs has resulted in 100 percent graduate faculty participation in some form of professional development and/or scholarship each year. Further, all courses and programs are planned to be revised by 2019 to integrate real-world research into student activities.

In June 2017, the university launched the College of Military Studies (CMS) to focus and provide informed quality education and a premier customer service platform response to the needs and demands of servicemen and women, their dependents, and veterans. The CMS is also focusing on safeguarding veterans' benefits and ensuring the military student population is well-served.

NAU's executive management team possesses extensive experience in the management and operation of postsecondary education institutions. The president and chief executive officer, Dr. Ronald Shape, began his career in higher education with us in 1991. He began teaching courses in accounting, auditing and finance in 1995, became the chief fiscal officer in 2002, and the chief executive officer in April 2009. Dr. Lynn Priddy, provost and chief academic officer of the university, joined NAU in 2013. She began her career in education in 1986, serving as English faculty, director, dean, and vice president of several institutions. In 1999, she joined the largest regional accreditor, the Higher Learning Commission, where she served fourteen years, the last five as vice president. Dr. David Heflin is the chief financial officer and joined NAU in June 2015. Dr. Heflin began his career in education in 2001. From 2001 to 2005, Dr. Heflin served as chief financial officer and chief operating officer at the University of Sioux Falls. From 2005 to 2008, he served Clayton State University as vice president of business and operations. From 2008 to 2014, Dr. Heflin led the Colorado Technical University of Sioux Falls as campus president. Dr. Heflin is a licensed certified public accountant and has been a member of the American Institute of Certified Public Accountants since 1983. Michael Buckingham was appointed president of the real estate operations in November 2009. Mr. Buckingham oversees the maintenance of all the facilities in the NAU system, as well as properties being developed by the real estate operations. Mr. Buckingham served as corporate vice president of Dlorah from 1992, and the president of Dlorah's real estate operations from 1988, until the closing of the Dlorah merger in 2009.

Business Development and Expansion

There has been a fundamental shift in how our student population chooses to engage in their educational pursuits and in response we have expanded our online operations. Ɀ0rsspp Ď î

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As of May 31, 2018, we offered the following degree, diploma and certificate programs:

Graduate Degrees
Ed. D Community College Leadership
Master of Business Administration
Master of Business Administration with:

Associate Degrees
Accounting
Business Administration
Business Logistics

Master of Science in Nursing
Master of Science in Nursing with:

- Emphasis in Care Coordination
- Emphasis in Education
- Emphasis in Nursing Administration
- Emphasis in Nursing Informatics

<u>Bachelor's Degrees</u>
Accounting
Aviation Management
Business Administration
Business Administration with:

- Emphasis in Accounting
- Emphasis in Entrepreneurship
- Emphasis in Financial Management
- Emphasis in Human Resource Management
- Emphasis in Management
- Emphasis in Management Information Systems
- Emphasis in Marketing
- Emphasis in Supply Chain Management
- Emphasis in Tourism and Hospitality Management

Construction Management
Criminal Justice
Emergency Medical Services Management
Energy Management
Health Information Management
Healthcare Management
Information Technology
Information Technology with:

- Emphasis in Applications Development
- Emphasis in Cybersecurity and Forensics
- Emphasis in Database Administration/Microsoft
- Emphasis in Management Information Systems
- Emphasis in Network Management/Microsoft
- Emphasis in Web Development

Bachelor of Science in Nursing

Organizational Leadership
Paralegal Studies
Professional Legal Studies

Henley-Putnam School of Strategic Studies

B.S. Intelligence Management
B.S. Strategic Security and Protection Management
B.S. Intelligence Management
B.S. Terrorism and Counterterrorism Studies
M.S. Intelligence Management
M.S. Strategic Security and Protection Management
M.S. Terrorism and Counterterrorism Studies
D.S.S. Strategic Security
Mid-Level Certificate in Counterterrorism
Senior-Level Certificate in Counterterrorism
Certificate in Intelligence and Terrorism Profiling
Advanced Certificate in Intelligence Collection and Analysis
Certificate in Strategic Intelligence
Mid-Level Certificate in Intelligence Analysis
Senior-Level Certificate in Intelligence Analysis
Advanced Certificate in Physical Security and Risk Assessment
Mid-Level Certificate in Executive Protection
Senior-Level Certificate in Executive Protection
Certificate in Cybersecurity
Certificate in Homeland Security
Advanced Certificate in Security Management
Certificate in Strategic Security Management
Entry-Level Certificate in Counterterrorism
Certificate in Intelligence Collection
Certificate in Intelligence Collection and Analysis
Entry-Level Certificate in Intelligence Analysis
Arabic Certificate
Dari Certificate
Farsi Certificate
French Certificate
Hindi Certificate
Mandarin Chinese Certificate
Portuguese Certificate
Russian Certificate
Spanish Certificate
Urdu Certificate
Certificate in Physical Security and Risk Assessment
Entry-Level Certificate in Executive Protection
Certificate in Security
Certificate in Security Management

Educational and Administrative Sites

The central administration is in Rapid City, South Dakota. We lease our educational, administrative and student services sites from third parties. As of May 31, 2018, we provided educational offerings and support services in the following locations:

State	Address	Approximate Size
Colorado:	8242 S. University Blvd., Suite 100	4,600 sq. ft.
	Centennial, CO 80122-3178	
	1079 Space Center Dr.	5,500 sq. ft.
	Colorado Springs, CO 80915-3612	
	1915 Jamboree Dr., Suite 185	9,300 sq. ft.
	Colorado Springs, CO 80920-5378	
Indiana:	3600 Woodview Trace, Suite 200	16,375 sq. ft.
	Indianapolis, IN 46268-3167	
Kansas:	10310 Mastin St.	25,500 sq. ft.
	Overland Park, KS 66212-5451	
	7309 E. 21st St. North, Suite G40	10,100 sq. ft.
	Wichita, KS 67206-1179	
	801 Campus Drive	1,300 sq. ft.
	Garden City, KS 67206-1179	
Minnesota:	7801 Metro Parkway, Suite 200	20,400 sq. ft.
	Bloomington, MN 55425-1536	
	6200 Shingle Creek Parkway, Suite 130	14,300 sq. ft.
	Brooklyn Center, MN 55430-2131	
	1550 W. Highway 36	14,800 sq. ft.
	Roseville, MN 55113-4035	
	3906 E Frontage Highway 52 Rd. NW	7,150 sq. ft.
	Rochester, MN 55901-0108	
	10901 Red Circle Dr., Suite 150	5,200 sq. ft.
	Minnetonka, MN 55343-4545	
	513 W. Travelers Trail	6,000 sq. ft.
	Burnsville, MN 55337-2548	

International applicants to the university's doctoral program must provide evidence of compleoniversil ژ

Enrollment

Enrollments have decreased from 6,703 students as of May 31, 2017 to 5,648 students as of May 31, 2018, representing an annual decrease of approximately 15.7% mainly as a result of a decrease in undergraduate and diploma students. As of May 31, 2018, we had 4,342 students enrolled in our online programs, 724 students enrolled on-campus, and 582 students enrolled through our hybrid learning centers. The average age of our students is approximately 36 years.is

Technology Systems

We remain focused on leveraging the use of technology to increase efficiencies in our academic programs and our general administrative operations. This commitment requires not only institutional budget expenditures, but also orientation and training in the use of this technology.

Real Estate Operations

Fairway Hills, the real estate operations, conducts business through various projects and associations, including Fairway Hills I and II, Park West, Vista Park, Fairway Hills Park and Recreational Association, the Vista Park Homeowners' Association and the Park West Homeowners' Association. Fairway Hills I and Fairway Hills II are apartment buildings consisting of a total of 52 rental units, referred to as Doral Apartments, of which 98% were leased as of May 31, 2018. Park West originally consisted of 48 apartment units and is owned by a partnership that is 50% owned by the Company and 50% owned by members of the Buckingham family (including Robert Buckingham, chairman of our board of directors, and his siblings and the spouses and estates of his siblings). Two of the original Park West apartments were combined into one large unit and later sold. Four additional apartments were sold, resulting in 42 rental apartments. Park West is 98% leased as of May 31, 2018. Vista Park consists of 24 total condominium units of which a total of 21 had been sold as of May 31, 2018. Prices for Vista Park condominium units start at approximately $215,000. Early in the fiscal year ended May 31, 2018, Fairway Hills completed construction on a 24-unit luxury apartment complex referred to as Arrowhead View, of which all 24 units were under lease as of May 31, 2018.

In connection with the development of Vista Park and the Park West apartments, Fairway Hills has created two homeowners' associations, the Vista Park Homeowner's Association and the Park West Homeowner's Association, each of which is a non-profit corporation, to manage and sell the condominiums. In addition, the Fairway Hills Park and Recreational Association, which is also a non-profit corporation, was created to operate as a homeowner's association covering substantially all of the Fairway Hills development.

Environmental

Our facilities and operations are subject to a variety of environ[illegible]

In addition, several states have jurisdiction over educational institutions offering online degree programs although there is no physical location or other presence in the state. The institution may be enrolling or offering educational services to students who reside in the state, conducting practicums or sponsoring internships in the state, employing faculty who reside in the state or advertising or recruiting prospective students in the state. State regulatory requirements for online education vary, are not well developed in many states, are imprecise or unclear in some states and can change frequently.

We have determined that our activities in ´ r s[illegible]n

- whether the institution and the program are accredited and, if so, by what accrediting commissions; and

- whether the institution's degrees are recognized by other states in which a student may seek to work.

Many states also require that graduates pass a state test or examination as a prerequisite to becoming certified in certain fields, such as nursing. Many states also may require a criminal background clearance before granting certain professional licensures or certifications. The catalog informs students that it is incumbent upon the student to verify whether a specific criminal background clearance is required in their field of study prior to beginning course work.

Accreditation

We have been institutionally accredited since 1985 by the Higher Learning Commission (HLC), a regional accrediting commission recognized by the Department of Education. Our accreditation by the HLC was most recently affirmed in January 2015. Accreditation is a private, non-governmental process for evaluating the quality of educational institutions and their programs in areas, including student performance, governance, integrity, educational quality, faculty, physical resources, administrative capability and resources and financial stability. To be recognized by the Department of Education, accrediting commissions must comply with Department of Education regulations, which require, among other things, that accrediting agencies adopt specific criteria for their review of educational institutions, conduct peer review evaluations of institutions, and publicly designate those institutions that meet their criteria. An accredited institution is subject to periodic review by its accrediting commissions to determine whether it continues to meet the performance, integrity and quality required for accreditation.

There are six regional accrediting commissions recognized by the Department of Education, each with a specified geographic scope of coverage, which together cover the entire United States. Most traditional, public and private non-profit, degree-granting colleges and universities are accredited by one of these six regional accrediting commissions. The HLC, which accredits NAU, accredits other degree-granting public and private colleges and universities in the states of Arizona, Arkansas, Colorado, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, New Mexico, North Dakota, Ohio, Oklahoma, South Dakota, West Virginia, Wisconsin and Wyoming.

Accreditation by the HLC is important for several reasons, one being that it enables students to receive Title IV financial aid. Other colleges and universities depend, in part, on an institution's accreditation in evaluating transfers of credit and applications to graduate schools. Employers rely on the accredited status of institutions when evaluating candidates' credentials, and students and corporate and government sponsors under tuition reimbursement programs consider accreditation as assurance that an institution maintains quality educational standards. If we fail to satisfy the criteria of the HLC, we could lose our accreditation by that commission, which would cause us to lose our eligibility to participate in Title IV programs.

The reauthorization of the Higher Education Act in 2008, and Department of Education regulations that became effective July 1, 2010, require accrediting commissions to monitor the growth of institutions that they accredit. The HLC requires all affiliated institutions, including NAU, to complete an annual data report. If the non-financial data, enrollment information, or any other information submitted by the institution indicate problems, rapid change or significant growth, the HLC staff may require that the institution address any concerns arising from the data report in the next comprehensive evaluation or may recommend additional monitoring. In addition, the Department of Education regulations that became effective July 1, 2010 require the HLC to notify the Department of Education if an institution accredited by the HLC that offers distance learning programs, such as NAU, experiences an increase in its headcount enrollment of 50% or more in any fiscal year. The Department of Education may consider that information in connection with its own regulatory oversight activities.

If we fail to satisfy the standards of any of these specialized accrediting commissions, we could lose the specialized accreditation for the affected programs, which could result in materially reduced student enrollments in those programs.

Regulation of Federal Student Financial Aid Programs

To be eligible to participate in Title IV programs, an institution must comply with specific requirements contained in the Higher Education Act and the regulations issued thereunder by the Department of Education. An institution must, among other things, be licensed or authorized to offer its educational programs by the state or states in which it is physically located (in our case, South Dakota, Colorado, Indiana, Kansas, Minnesota, Missouri, Nebraska, New Mexico, Oklahoma, and Texas) and maintain institutional accreditation by an accrediting commission recognized by the Department of Education.

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Service members of the United States Armed Forces are eligible to receive tuition assistance from their branch of service through the Uniform Tuition Assistance Program (the “tuition assistance program”) of the Department of Defense. Service members may use this tuition assistance to pursue postsecondary degrees at postsecondary institutions that are accredited by accrediting agencies that are recognized by the Department of Education. Each branch of the armed forces has established its own rules for the tuition assistance programs of the Department of Defense. Institutions cannot enroll service members under tuition assistance program unless they have signed a Memorandum of Understanding, which, among other things, requires an institution to agree to support Department of Defense regulatory guidance, adhere to a bill of rights that is specified in the regulations, and participate in the proposed Military Voluntary Education Review program. In addition, institutions must also agree to adhere to the principles and criteria established by the Service Members Opportunity Colleges Degree Network System regarding the transferability of credit and the awarding of credit for military training and experience.

In 2010, Congress and the Department of Defense increased their focus on Department of Defense tuition assistance that is used for distance education and programs at proprietary institutions. In 2012, President Obama issued an Executive Order regarding the establishment of “Principles of Excellence” for educational institutions receiving funding from the tuition assistance programs administered by the Department of Defense and veterans educational benefits programs administered by the Department of Veterans Affairs. The goals of the Principles of Excellence are broadly stated and relate to disclosures on costs and amounts of costs covered by federal educational benefits, marketing standards, state authorization, accreditation approvals, standard institutional refund policies, educational plans and academic and financial advising. In August 2013, the Department of Defense began incorporating the Principles of Excellence outlined in the President’s 2012 Executive Order into their current Memorandum of Understanding.

We cannot predict whether further focus on military tuition assistance will result in legislation or further rulemaking affecting our participation in Title IV programs. To the extent that any laws or regulations are adopted that limit our participation in Title IV programs or the amount of student financial aid for which our students are eligible, our enrollments, revenues and results of operation could be materially affected.

As part of its negotiated rulemaking process, the Department of Education consults with members of the postsecondary education community to identify issues of concern and attempts to agree on proposed regulatory revisions to address those issues before formally proposing regulations. If the Department of Education and negotiators cannot reach consensus on the entire package of draft regulations, the Department of Education is authorized to propose regulations without being bound by any agreements made in the negotiation process.

The gainful employment regulations also require an insti sti sti equi sti ns5 qiat a nCsdial s sراat سي ^D Þ ais خم

Under the Higher Education Act, an educational institution that participates in Title IV programs may not make any

Under the Higher Education Act, an educational institution may lose its eligibility to participate in some or all Title IV programs if defaults by its students on the repayment of loans received through either the Federal Family Education Loan (“FFEL”) Program or the Federal Direct Loan programs exceed certain levels. For each federal fiscal year, the Department of Education calculates a rate of student defaults on such loans for each institution, known as a “cohort default rate.” An institution’s cohort default rate for a federal fiscal year is calculated by determining the rate at which borrowers that became subject to their repayment obligation in that federal fiscal year defaulted by the end of the following federal fiscal year. Before July 1, 2010, we participated in both the FFEL and Federal Direct Loan programs. As of July 1, 2010, following the elimination of the FFEL program under federal law, we participate only in the Federal Direct Loan program. Defaults by students on the repayment of loans received through the FFEL program still will be counted; however, in the calculation to determine our eligibility to participate in the Federal Direct Loan program.

If the Department of Education notifies an institution that its cohort default rates for each of the three most recent federal fiscal years are 30% or greater, the institution’s participation in the Federal Direct Loan and Pell Grant programs ends 30 days after that notification, unless the institution appeals the determination in a timely manner on specified grounds and according to specified procedures. In addition, an institution’s participation in the Federal Direct Loan program ends 30 days after notification by the Department of Education that the institution’s most recent cohort default rate is greater than 40%, unless the institution timely appeals that determination on specified grounds and according to specified procedures. An institution whose participation ends under either of these prov Ď ®d n A Ameltion in the Federal y inŠtitut usin t rticipasisisisissij ssi gi gi oĵ Educa

The Department of Education and virtually all state education agencies and accrediting commissions require a company to obtain their approval if it wishes to acquire another school. The level of review varies by individual state and accrediting commission, with some requiring approval of such an acquisition before it occurs while others only consider approval after the acquisition has occurred. The approval of the applicable state education agencies and accrediting commissions is a necessary prerequisite to the Department of Education certifying the acquired school to participate in Title IV programs. The restrictions imposed by any of the applicable regulatory agencies could delay or prevent our acquisition of other schools in some circumstances.

On July 21, 2017, we entered into an agreement to acquire substantially all of the assets of Henleym a–

Any failure by us to comply with the requirements of the Department of Education, the HLC or the state educational agencies from which we have a license or authorization, or a failure to obtain their approval of the change in control, could result in loss of authorization, accreditation, or eligibility to participate in Title IV programs and cause a significant decline in our student enrol® :l

We cannot predic o

On November 1, 2016, the Department of Education publis ,hi

In addition, in recent years, other postsecondary educational institutions have been named as defendants to whistleblower lawsuits, known as “qui tam” cases, brought by current or former employees pursuant to the Federal False Claims Act, alleging that their institution’s compensation practices did not comply with the incentive compensation rule. A qui tam case is a civil lawsuit brought by one or more individuals, referred to as a relator, on behalf of the federal government for an alleged submission to the government of a false claim for payment. The relator, often a current or former employee, is entitled to a share of the government’s recovery in the case, including the possibility of treble damages. A qui tam action is always)i

The postsecondary education market is highly fragmented and competitive. We compete for students with traditional public and private two-year and four- year colleges and universities, and other for-profit schools, including those that offer online learning programs, and alternatives to higher education, such as employment and military service. Many public and private schools, colleges and universities, including most major colleges and universities, offer online programs. We expect to experience additional competition in the future as more colleges, universities and for-profit schools offer an increasing number of online programs. Public institutions receive substantial government subsidies, and public and private non-profit institutions have access to government and foundation grants, tax-deductible contributions and other financial resources generally not available to for-profit schools. Accordingly, public and private nonprofit institutions may have instructional and support resources superior to those in the for-profit sector, and public institutions can offer substantially lower tuition prices. Some of our competitors in both the public and private sectors also have substantially greater financial and other resources than us. We may not be able to compete successfully against current or future competitors and may face competitive pressures that could have a material effect on our business, financial condition and results of operations.

Online education is a highly fragmented and competitive market subject to rapid technological change. Competitors vary in size and organization from traditional colleges and universities, many of which offer some form of online education programs, to for-profit schools and software companies providing online education and training software. We expect the online education and training market to be subject to rapid changes in delivery, interaction and other future innovation and advancement. Our success will depend, in part, on our ability to adapt to changing technologies in online and distance learning and offer an attractive online/distance education option while maintaining competitive pricing. Furthermore, the expansion of our online programs and the development of new programs may not be accepted by the online education market. In addition, a general decline in Internet use for any reason, including due to security or privacy concerns, the cost of Internet service or changes in government regulation of Internet use, may result in less demand for online educational services, in which case we may not be able to recruit and retain students and grow our online programs as planned. Accordingly, if we are unable to keep pace with changes in technology or maintain technological relevance, or if the use of the Internet changes, our business, financial condition and results of operations may be adversely affected.

Certain students, particularly in the healthcare programs, require or desire professional licenses or certifications after graduation to obtain employment in their chosen fields. Their success in obtaining such licensure depends on several factors, including the individual merits of the student, whether the institution and the program were approved by the state or by a professional association, whether the program from which the student graduated meets all state requirements and whether the institution is accredited. If one or more states refuses to recognize our graduates for professional licensure in the future based on factors relating to us or our programs, the potential growth of our programs would be negatively impacted, which could have a material effect on our business, financial condition and results of operations. In addition, we could be exposed to litigation that would force us to incur legal and other expenses that could have a material effect on our business, financial condition and results of operations.

- litigation or regulatory investigations that may damage our reputation; and
- changes in the general economy, including employment.

If, for any reason or reasons, including those presented above, we are unable to maintain and increase our awareness among prospective

In recent years, regulatory proceedings and litigation have been commenced against various postsecondary educational institutions relating to, among other things, deceptive trade practices, false claims against the government and non-compliance with Department of Education requirements, state education laws and state consumer protection laws. These proceedings have been brought by students, the Department of Education, the United States Department of Justice, the United States Securities and Ex9een5nst Ex

Item 2. Properties.

We lease all of our educational sites and administrative facilities (including those that are pending regulatory approval) located ini

Stockholders

As of July 31, 2018, there were approximately 37 holders of record of our common stock, including The Depository Trust Company, which holds shares of our common stock on behalf of an indeterminate number of beneficial owners.

Dividends

During our fiscal year 2017 our board of directors declared quarterly cash dividends on our common stock. During fiscal year 2018, our board of directors declared a dividend only in the first quarter. The payment of any dividends in the future will be at the discretion of our board of directors and will depend upon our financial condition, results of operations, earnings, capital requirements, contractual restrictions, outstanding indebtedness and other factors deemed relevant by our board of directors.

We believe EBITDA is useful to an investor in evaluating our operating performance because it is widely used to measure a company's operating performance without regard to certain non-cash expenses (such as depreciation and amortization) and expenses that are not reflective of our core operating results over time. We believe EBITDA presents a meaningful measure of corporate performance exclusive of our capital structure, the method by which assets were acquired and non-cash charges, and provides us with additional useful information to measure our performance on a consistent basis, particularly with respect to changes in performance from period to period.

The following table provides a reconci į d. b:o ʾ mخه

The following chart is a summary of our student enrollment on May 31, 2018, and May 31, 2017, by degree type and by instructional delivery method.

	May 31, 2018 (Spring '18 Qtr)		May 31, 2017 (Spring '17 Qtr)		% Change for same quarter over prior year
	Number of Students	% of Total	Number of Students	% of Total	

We plan to continue expanding and devel:e

We maintain an allowance for doubtful accounts for estimated losses resulting from the inabilit

Results of Operations — For the Year Ended May 31, 2018 Compared to the Year Ended May 31, 2017

National American University Holdings, Inc.

The following table sets forth statements of operations data as a percentage of total revenue for each of the periods indicated:

	Percent of Revenue	
	2018	2017
Total revenue	100.0%	100.0%
Operating expenses:		
Cost of educational services	33.9	31.9
Selling, general and administrative	72.8	71.2
Auxiliary expense	3.6	4.0
Cost of condominium sales	0.9	-
Loss on course development impairment	0.4	-
Loss on lease termination and acceleration	0.5	0.3
Loss on impairment and disposition of property	2.9	0.9
Total operating expenses	114.9	

Auxiliary expenses for the year ended May 31, 2018 were $2.7 million, a decrease of $0.7 million or 21.2%, as compared to $3.5 million for the year ended May 31, 2017. This decrease was primarily due to lower enrollments that translated into lower book sales and cost of books sold.

The loss before non-controlling interest and taxes for the year ended May 31, 2018, was $12.1 million, an increase of $4.4 million, compared to a $7.8 million loss for the year ended May 31, 2017. The impact is due to factors as explained above.

Results of Operations — For the Year Ended May 31, 2017 Compared to the Year Ended May 31, 2016

National American University Holdings, Inc.

The following table sets forth statements of operations data as a percentage of total revenue for each of the periods indicated:

	Percent of Revenue	
	2017	2016
Total revenue	100.0%	100.0%
Operating expenses:		
Cost of educational services	31.9	27.1
Selling, general and administrative	71.2	75.1
Auxiliary expense	4.0	4.9
Cost of condominium sales	-	-
Loss on course development impairment	-	-
Loss on lease termination and acceleration	0.3	-
Loss on impairment and disposition of property	0.9	0.8
Total operating expenses	108.4	107.9
Operating loss	(8.4)	(7.9)
Other income (expense)		
Interest income	0.1	0.1
Interest expense	(1.0)	(0.9)
Other income — net	0.2	0.2
Total other expense	(0.6)	

The educational services expense increased as a percentage of revenue from 27.5% for the year ended May 31, 2016 to 32.4% for the year ended May 31, 2017. The expense increased $1.6 million primarily due to $1.2 million for full-a D ظ

NATIONAL AMERICAN UNIVERSITY HOLDINGS, INC. AND SUBSIDIA[redacted]

CONSOLIDATED BALANCE SHEETS
AS OF MAY 31, 2018 AND 2017
(In thousands, except share and per share amounts)

	May 31,	
	[redacted]	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents		
Available-for-sale investments		
Student receivables [illegible] allowance of $587 and $1,[illegible] at May 31, 2018 and May 31, 2017, respectively	2,893	2,895
Other receivables	563	458
Income taxes receivable	105	2,301
Prepaid and other current assets	1,552	1,649
Total current assets	10,437	23,460
Total property and equipment - net	25,228	31,318
OTHER ASSETS:		
Restricted certificates of deposit	9,250	

NATIONAL AMERICAN UNIVERSITY HOLDINGS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED MAY 31, 2018, 2017 AND 2016
(In thousands, except share and per share amounts)

	Common stock	Additional paid-in capital	Retained earnings (deficit)	Treasury stock	Accumulated other comprehensive loss	Non-controlling interest	Total stockholders' equity
Balance - May 31, 2015	$ 3	$ 58,336	$ 13,751	$ (19,455)	$ (1)	$ (108)	$ 52,526
Purchase of 1,260,330 shares common stock for the treasury	0	0	0	(3,022)	0	0	(3,022)
Share based compensation expense	0	557	0	0	0	0	557
Dividends declared	0	0	(4,391)	0	0	0	(4,391)
Net (loss) income	0	0	(5,348)	0	0	44	(5,304)
Other comprehensive loss, net of tax	0	0	0	0	(1)	0	(1)
Balance - May 31, 2016	$ 3	$ 58,893	$ 4,012	$ (22,477)	$ (2)	$ (64)	$ 40,365
Purchase of 1,887 shares common stock for the treasury	0	0	0	(4)	0	0	(4)
Share based compensation expense	0	167	0	0	0	0	167
Dividends declared	0	0	(4,359)	0	0	0	(4,359)
Net (loss) income	0	0	(6,275)	0	0	48	(6,227)
Other comprehensive loss, net of tax	0	0	0	0	(2)	0	(2)
Balance - May 31, 2017	$ 3	$ 59,060	$ (6,622)	$ (22,481)	$ (		

NATIONAL AMERICAN UNIVERSITY HOLDINGS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MAY 31, 2018, 2017 AND 2016
(In thousands)

	2018	2017	2016
NET DECREASE IN CASH AND CASH EQUIVALENTS	$ (6,650)	$ (9,739)	$ (1,587)
CASH AND CASH EQUIVALENTS — Beginning of year	11,974	21,713	23,300
CASH AND CASH EQUIVALENTS — End of year	$ 5,324	$ 11,974	$ 21,713
SUPPLEMENTAL DISCLOSURE OF CASH FLOW AND NON-CASH INFORMATION:			
Cash (received) paid for income taxes	$ (2,192)	$ (2,658)	$ 1,156
Cash paid for interest	$ 835	$ 851	$ 871
Property and equipment sold under contract for deed	$ 0		

1. STATEMENT PRESENTATION AND BASIS OF CONSOLIDATION

The accompanying financial statements are presented on a consolidated basis and include the accounts of National American University Holdings, Inc. (the “Company”), its subsidiary, Dlorah, Inc. (“Dlorah”), and its divisions, National American University (“NAU” or the “University”), Fairway Hills, the Fairway Hills Park and Recreational Association, the Park West Owners’ Association, the Vista Park Owners’ Association (“Fairway Hills”), and the Company’s interest in Fairway Hills Section III Partnership (the “Partnership”), collectively the “Company.” The Partnership is 50% owned by Dlorah and 50% owned by individual family members, most of whom are either direct or indirect stockholders of the Company.

The Partnership is deemed to be a variable interest entity (“VIE”) under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 810-10, The Company determines whether it is the primary beneficiary of an entity subject to consolidation based on a qualitative assessment of the purpose and design of the VIE, the risks that the VIE was designed to create and pass along to other entities, the activities of the VIE that most significantly impact the VIE’s economic performance and which entity could direct those activities. The Company assesses its VIE determination with respect to an entity on an ongoing basis and has not identified any additional VIEs in which it holds a significant interest.

The Company has determined that the Partnership qualifies as a VIE and that the Company is the primary beneficiary of the Partnership. Accordingly, the Company consolidated assets, liabilities, and net income of the Partnership within its consolidated balance sheets and statements of operations and comprehensive loss and appropriately presented the balances as non-controlling interest within the consolidated balance sheets and statements of operations and comprehensive loss. As of May 31, 2018 and 2017, the consolidated balance sheets include Partnership assets of $472 and $543, respectively, and Partnership liabilities of $88 and $90, respectively. The consolidated statements of operations and comprehensive loss include Partnership net income of $99, $97, and $88, for the years ended May 31, 2018, 2017, and 2016, respectively.

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). Throughout the notes to consolidated financial statements, amounts in tables are in thousands of dollars, except for share and per share data as otherwise designated. The Company’s fiscal year end is May 31. These financial statements include consideration of subsequent events through issuance. All intercompany transactions and balances have been eliminated in consolidation.

Unless the context otherwise requires, the terms “we”, “us”, “our” and the “Company” used throughout this document refer to National American University Holdings, Inc. and its wholly owned subsidiary, Dlorah, Inc., which owns and operates National American University and Fairway Hills.

Estimates — The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements. On an ongoing basis, the Company evaluates the estimates and assumptions, including those related to bad debts, income taxes and certain accruals. Actual results could differ from those estimates.

Approximately 92% of the Company's total revenues for each of the years ended May 31, 2018, 2017, and 2016 ,201

Other Receivables Ĉ M Ẫ Ż

Capitalized Course Development Costs — The University internally develops curriculum and electronic instructional materials for certain courses. The curriculum is primarily developed by employees and contractors. In fiscal year 2018 the Company purchased $1,157 in curriculum in the acquisition of Henley-Putnam University. The curriculum is integral to the learning system. Customers do not acquire the curriculum or future rights to it.

The Company capitalizes course development costs. Costs that qualify for capitalization are external direct costs, payroll, and payroll-related costs. Costs related to general and administrative functions are not capitalizable and are expensed as incurred. Capitalization ends at such time that the course and/or material is available for general use by faculty and students. After becoming available for general use, the costs are amortized on a course-by-course basis over a peri [illegible]

Rental Expense — The University accounts for rent expense under its long-term operating leases using the straight-line method. Certain of the University's operating leases contain rent escalator provisions. Accordingly, a deferred rent and tenant improvement liability of $3,538 and $4,910, at May 31, 2018 and 2017, respectively, is recorded in accrued and other liabilities, and other long-term liabilities on the consolidated balance sheets. The 2017 liability amount also includes accelerated lease liability totaling $285 due to the closure of the Allen campus.

Accrued and other liabilities — Accrued and other liabilities consisted primarily of payroll and related benefits of $2,447 and $4,160 and the current portion of the long-term deferred rent and tenant improvement liabilities of $850 and $900, for 2018 and 2017, respectively.

4. RECENTLY ADOPTED AND NEW ACCOUNTING PRONOUNCEMENTS

In May 2014, the Financial Accounting Standards Board issued Accounting Standard Update (ASU) No. 2014-09, , which removes inconsistencies and weaknesses in revenue requirements, provides a more robust framework for addressing revenue issues, improves comparability of revenue recognition practices across entities, provides more useful information to users of the consolidated financial statements through improved disclosure requirements, and simplifies the preparation of the consolidated financial statements by reducing the number of requirements to which an entity must refer. The ASU outlines five steps to achieve proper revenue recognition: identify the contract with the customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract, and recognize revenue when (or as) the entity satisfies the performance obligation. This standard is effective for public entities for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. This standard will be effective for the Company's fiscal year 2019 in the first quarter ending August 31, 2018. The Company completed its evaluation of the impact on accounting policies and internal processes and controls the new standard may have on its revenue streams. Tuition revenue and affiliate revenue is recorded ratably over the length of respective courses, which the Company believes, based upon initial as v Conl Ď 7 e

In March 2016, the FASB issued ASU 2016-09, , which is intended to simplify various aspects of share-based accounting. Specifically, the standard (1) requires all excess tax benefits and deficiencies to be recognized as income tax expense/benefit in the income statement as discrete items in the reporting period in which they occur, with no charges to additional paid-in capital; (2) requires excess tax benefits to be classified as operating cash flows; (3) allows an accounting election to account for forfeitures when they occur, instead of when they are expected to vest; (4) allows awards settled in cash to qualify for equity classification if withholding is up to the maximum statutory tax rates in the applicable jurisdictions; (5) clarifies that the cash paid by an employer to taxing authorities when directly withholding shares for tax-withholding purposes should be classified as a financing activity in the cash flow statement. This standard became effective in the first quarter ending August 31, 2017. The Company elected to account for forfeitures hen teey mveaccou.Ccoures hen st . an

The Department of Education evaluates educational institutions for compliance with these standards each year, based upon an educational institution's annual audited financial statements, as well as following any changes in ownership.

Department regulations specify that an eligible institution of higher education must satisfy specific measures of financial responsibility prescribed by the Department, or post a letter of credit in favor of the Department and accept other conditions on its participation in Title IV programs. Pursuant to the Title IV program regulations, each eligible institution must satisfy a measure of financial responsibility that is based on a weighted average of the following three annual ratios which assess the financial condition of the institution:

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Future minimum lease payments at May 31, 2017 included the remaining lease payments for the Tigard, Weldon Spring and Austin South campuses. The associated lease payments were not accelerated because the Company was still receiving economic benefit from the leases at May 31, 2017. Effective August 1, 2017, the future obligation under the Tigard lease was bought out through a cash payment of $820. August 31, 2017 was the ceased use date for Tigard. Effective May 31, 2017, the Allen campus lease payments were accelerated as there was no intention to utilize the campus going forward, resulting in a liability of $285 at May 31, 2017. May 31, 2017 was the ceased use date for Allen. Effective June 30, 2017, the future obligation under the Allen lease was bought out through a cash payment of $190. The Company exercised the early termination option on its downtown Rapid City location, which terminated [illegible] 2018. In May 2018, the Company exercised [illegible]

During the quarter ended August 31, 2016, the Company issued 281,250 restricted stock units ("RSUs") with performance-based vesting under the 2013 Plan. The number of shares to be earned was determined by the Company's profitability and other operating metrics during the year ended May 31, 2017. The grant date fair value of the RSUs was $1.93 per share. No expense was recorded as targeted profitability and operating metrics were not attained and all shares were canceled on May 31, 2017.

During the quarter ended August 31, 2017, the Company issued 281,250 restricted stock units with performance-based vesting under the 2013 Plan. The number of shares to be earned was determined by the Company's profitability and other operating metrics during the year ended May 31, 2018. The grant date fair value of the RSUs was $2.38 per share. No expense was recorded as targeted profitability and operating metrics were not attained and all shares were canceled on May 31, 2018.

Unrestricted stock is issued to certain employees in settlement of a portion of their salaries and bonuses. Compensation expense in the consolidated statements of operations and comprehensive loss associated with these unrestricted stock issuances totaled $121, $60 and $320, respectively, for the years ended May 31, 2018, 2017, and 2016.

The Company accounts for stock option-based compensation by estimating the fair value of options granted using a Black-Scholes option valuation model. The Company recognizes the expense for grants of stock options on a straight-line basis in the consolidated statements of operations and comprehensive income as selling, general and administrative expense based on their fair value over the requisite service period.

For stock options issued during the years ended May 31, 2018 and 2017, the following assumptions were used to determine fair value:

Assumptions used:	2018	2017
Expected term (in years)	5.75	5.75
Weighted average expected volatility	48.75%	50.65%
Expected volatility range	48.15-49.14%	50.65-50.65%
Weighted average risk free interest rate	2.29%	1.37%
Risk free interest rate range	2.11 – 2.57%	1.37 - 1.37%
Weighted average expected dividend	0.00%	8.60%
Expected dividend range	0.00 – 0.00%	8.60 – 8.60%
Weighted average fair value	$ 0.72	$ 0.41

Expected volatilities are based on historic volatilities from the Company's traded shares. The expected term of options granted is the safe harbor period. The risk-free interest rate for periods matching the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of grant. Expected dividend is based on the historic dividend of the Company.

A summary of option activity under the Plan as of May 31, 2018 and 2017, and changes during the years then ended is presented below:

Stock Options	Shares	Weighted average exercise price	Weighted average remaining contractual life (in years)	Aggregate intrinsic value
Outstanding at May 31, 2016	192,350	$ 4.11	8.4	$ 0
Granted	12,500	1.96		
Exercised	0	0		
Forfeited or canceled	(14,000)	5.80		
Outstanding at May 31, 2017	190,850	$ 3.85		

Compensation Plans — The Company has entered into an employment agreement, as amended, with Dr. Ronald Shape, Chief ExecuÅf E

Deferred income taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred assets (liabilities) as of May 31 were as follows:

	2018	2017
Deferred income tax assets:		

The following is a reconciliation of the numerator and denominator for the basic and diluted EPS computations:

	For the year ended May 31,		
	2018	2017	2016
Numerator:			
Net loss attributable to National 9¾			

The total purchase price was allocated to the fair values of the assets acquired and the liabilities assumed as follows:

Cash and cash equivalents	$	664
Student receivables - net		157
Prepaid and other current assets		17
Course development		1,067
Goodwill		363
Other intangibles		229
Accounts payable		(63)
Deferred income		(272)
Accrued and other liabilities		(229)
Total fair value of net assets acquired		1,933
Less cash acquired		(664)
Total consideration for acquisition, less cash acquired	$	1,269

Course development costs are being amortized on a straight-line basis over five years. Goodwill is calculated as the excess of the purchase price paid over the net assets recognized. The goodwill recorded as part of the acquisition primarily reflects the assembled workforce and a proven ability to generate new products and services to drive future revenue.

The purchased intangible assets consist of student relationships and the Henley-Putnam brand name. These assets are being amortized on a straight-line basis over four and five years, respectively. Net intangible assets consist of the following at May 31, 2018:

	Cost	Accumulated Amortization	Net Carrying Amount
Student relationships	$ 157	$ (18)	$ 139
Brand name	72	(4)	68
	$ 229	$ (22)	$ 207

Future amortization expense is as follows as of May 31, 2018:

FY 2019	$	54
FY 2020		54
FY 2021		54
FY 2022		34
FY 2023		11
	$	207

The results of HPU's operations have been included in the consolidated statements of operations and comprehensive income since March 21, 2018. Below are the results of operations from March 21, 2018 through May 31, 2018. Proforma information is not presented as the effects are immaterial.

Academic revenue	$ 235
Auxiliary revenue	6
Total revenue	241
Cost of educational services	176
Selling, general and administrative	

19. SUMMARIZED QUARTERLY FINANCIAL DATA (UNAUDITED)

The following table sets forth selected unaudited quarterly financial information for the last eight quarters.

	Quarter		
	First	Second	Third

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by this item is incorporated herein by reference to the information set forth in the Company's Proxy Statement for the 2018 Annual Meeting of Stockholders.

Item 11. Executive Compensation.

The information required by this item is incorporated herein by reference to the information set forth in the Company's Proxy Statement for the 2018 Annual Meeting of Stockholders.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this item is incorporated herein by reference to the information set forth in the Company's Proxy Statement for the 2018 Annual Meeting of Stockholders.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth information about our common stock that may be issued upon the exercise of options, warrants and rights under all of our compensation plans (including individual compensation arrangements) under which our equity securities are authorized for issuance as of May 31, 2018, which includes our 2009 Stock Option and Compensation Plan and our 2013 Restricted Stock Unit Plan.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	[illegible]	

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item is incorporated herein by reference to the information set forth in the Company's Proxy Statement for the 2018 Annual Meeting of Stockholders.

Item 14. Principal Accountant Fees and Services.

The information required by this item is incorporated herein by reference to the information set forth in the Company's Proxy Statement for the 2018 Annual Meeting of Stockholders.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a)(1) Financial Statements

All required financial statements of the registrant are set forth under Item 8 of this annual report on Form 10-K.

(a)(2) Financial Statement Schedules

None required.

(b) Exhibits

Exhibit No.	Description
2.1	Agreement and Plan of Reorganization, dated August 7, 2009, by and among Camden Learning Corporation, Dlorah Subsidiary, Inc. and Dlorah, Inc. (incorporated by reference to Exhibit 2.1 to the Company’s Current Report on Form 8-K filed on August 11, 2009)
2.2	Amended and Restated Agreement and Plan of Reorganization, dated August 11, 2009, by and among Camden Learning Corporation, Dlorah Subsidiary, Inc. and Dlorah, Inc. (incorporated by reference to Exhibit 2.2 to the Company’s Current Report on Form 8-K filed on August 11, 2009)
2.3	Amendment No. 1 to the Amended and Restated Agreement and Plan of Reorganization, dated October 26, 2009, by and among Camden Learning Corporation, Dlorah Subsidiary, Inc., and Dlorah, Inc. (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K filed on October 27, 2009)
3.1	Second Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company’s Current Report on Form 8-K filed on November 30, 2009)
3.2	Amended Bylaws (incorporated by reference to Exhibit 3.1 to the Company’s Quarterly Report on Form 10-Q filed on October 4, 2013)
4.1	Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Company’s Current Report on Form 8-K filed on November 30, 2009)
4.2	Collateral Real Estate Mortgage, dated May 17, 2018, by Dlorah, Inc. in favor of Black Hills Community Bank, N.A. (incorporated by reference to Exhibit 4.1 to the Company’s Current Report on Form 8-K filed on May 21, 2018)
4.3	Promissory Note, dated May 17, 2018, by Dlorah, Inc. and National American University Holdings, Inc. to Black Hills Community Bank, N.A. (incorporated by reference to Exhibit 4.2 to the Company’s Current Report on Form 8-K filed on May 21, 2018)

10.1	Registration Rights Agreement, dated as of November 23, 2009, by and among Camden Learning Corporation and each of H. & E. Buckingham Limited Partnership and Robert D. Buckingham Living Trust (incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K filed on November 30, 2009)
10.2	Registration Rights Agreement, dated as of November 29, 2007, by and among Camden Learning Corporation and certain of the founding stockholders of Camden Learning Corporation (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed on December 5, 2007)
10.3	Form of Restricted Stock Agreement under the registrant's 2009 Stock Option and Compensation Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on January 12, 2010) *
10.4	National American University Holdings, Inc. 2009 Stock Option and Compensation Plan., as amended (incorporated by reference to Exhibit 10.12 to the Company's Current Report on Form 8-K filed on November 30, 2009, and to Appendix B to the Company's Definitive Proxy Statement on Schedule 14A filed on September 27, 2014) *
10.5	Employment Agreement between Dlorah, Inc. and Jerry L. Gallentine, amended and restated September 9, 2003, and further amended by the First Amendment to Employment Agreement, dated November 18, 2009 (incorporated by reference to Exhibit 10.13 to the Company's Current Report on Form 8-K filed on November 30, 2009)
10.6	Employment Agreement between Dlorah, Inc. and Ronald Shape, dated effective as of June 1, 2012 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 6, 2012) *
10.7	Joinder to Registration Rights Agreement, dated as of January 12, 2010 between National American University Holdings, Inc. and T. Rowe Price Associates, Inc. on behalf of its investment advisory clients T. Rowe Price Small-Cap Value Fund, Inc. and T. Rowe Price U.S. Equities Trust (incorporated by reference to Exhibit 10.21 to the Company's Registration Statement on Form S-1 filed on March 23, 2010)
10.8	Form of Director Indemnification Agreement (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 11, 2010) *
10.9	National American University Holdings, Inc. 2013 Restricted Stock Unit Plan (incorporated by reference to Appendix C to the Company's Definitive Proxy Statement on Schedule 14A filed on September 27, 2014) *
21.1	Subsidiaries of the Registrant
23.1	Consent of Independent Registered Public Accounting Firm
31.1	Certification of Chief Executive Officer pursuant to Securities Exchange Act Rules 13a-15(e) and 15d-15(e) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Securities Exchange Act Rules 13a-15(e) and 15d-15(e) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following materials from National American University Holdings, Inc.'s Annual Report on Form 10-K for the fiscal year ended May 31, 2017, are formatted in XBRL (eXtensible Business Reporting Language): (a) Consolidated Balance Sheets, (b) Consolidated Statements of Operations, (c) Consolidated Statements of Stockholders Equity, (d) Consolidated Statements of Cash Flows, and (e) Notes to Annual Consolidated Financial Statements

* Denotes management contract, compensatory plan or arrangement required to be filed pursuant to Item 601(b)(10)(iii)(A) of Regulation S-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

National American University Holdings, Inc.

By:	/s/ Ronald L. Shape
Name:	Ronald L. Shape, Ed. D.
Title:	President and Chief Executive Officer (principal executive officer)
By:	/s/ David K. Heflin
Name:	David K. Heflin, Ed. D.
Title:	Chief Financial Officer (principal financial officer and principal accounting officer)

Dated as of September 13, 2018.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated as of September 13, 2018.

Name	Title
Dr. Edward D. Buckingham	Chairman of the Board of Directors
/s/ Jerry L. Gallentine Jerry L. Gallentine, Ph.D.	Co-Vice Chairman of the Board of Directors
/s/ Therese Crane Therese Crane, Ed.D.	Director
/s/ Jeffrey Berzina Jeffrey Berzina	Director
/s/ Thomas D. Saban Thomas D. Saban, Ph.D.	Director
/s/ Jim Rowan Jim Rowan	Director
/s/ Richard Halbert Richard Halbert	Director
/s/ Robert D. Buckingham Robert D. Buckingham	Co-Vice Chairman of the Board of Directors
/s/ Ronald L. Shape Ronald L. Shape, Ed. D.	President, Chief Executive Officer and Director

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Ronald L. Shape, certify that:

1. I have reviewed this annual report on Form 10-K of National American University Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the period presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) [illegible]

Exhibit 32.1

CER

Exhibit 32.2

CERTIFICATION PURSUANT TO RULE 13b – 14(b) OF THE SECURITIES EXCHANGE
ACT AND 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of National American University Holdings, Inc. (the "Company") on Form 10-K for the year ended May 31, 2018 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David K. Heflin, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David K. Heflin
David K. Heflin, Ed. D.
Chief Financial Officer

September 13, 2018