

- [REDACTED]
- [REDACTED]

May 2019 Review and Action:

The Commission has significant concerns regarding a school’s compliance with the accrediting standards as noted below. Despite three opportunities to demonstrate compliance, Elegance International has yet to provide sufficient documentation in the areas listed below. The Commission directs the school to show cause as to why the school’s accreditation should not be withdrawn (*Section VII (L)(1), Rules of Process and Procedure, Standards of Accreditation*) and it is therefore imperative that the school provide a thorough and comprehensive response to address all outstanding issues below.

1. Elegance International must demonstrate that the school’s financial structure is sound with resources sufficient for the proper operation of the school and discharge of obligations to students (*Section I(C)(1), Substantive Standards, Standards of Accreditation*). A review of Elegance International’s fiscal year ended September 30, 2018 and 2017 audited financial statements found the following:

- [REDACTED];
- [REDACTED]
- [REDACTED] and
- [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The Commission recognized Elegance International’s continued efforts to improve its financial position, mainly through cost reductions and increasing community outreach to grow the student population. However, the Commission remains gravely concerned regarding Elegance International’s financial soundness and ability to operate the school in compliance with accreditation requirements and is unconvinced that the school’s plan will yield the increased revenue necessary to achieve a stable financial position.

Based on the foregoing, the Commission directs Elegance International to submit the following:

- [REDACTED]
- [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

2. Elegance International must demonstrate successful student achievement through acceptable rates of graduate employment in the career field for which the school provided education and support these rates through the school’s verifiable records and documentation of initial employment of its graduates (*Section VII (B)(1)(b), Substantive Standards, Standards of Accreditation*). As stated in the November

28, 2018 Continued Probation Order the Commission found that the school reported employment rates that fall below ACCSC’s benchmark rate and that the supporting documentation did not align with the Graduation and Employment Charts. In response, the school reported the following student achievement rates using a March 2019 Report Date on the Graduation and Employment Charts:

Program	Length in Months	EI Graduation Rate	ACCSC Benchmark Graduation Rate	EI Employment Rate	ACCSC Benchmark Employment Rate
Artistry of Makeup	12	64%	55%	19%	70%
Artistry of Makeup	15	55%	47%	16%	

The Commission found that Elegance International reported the employment rates highlighted above that fall significantly below ACCSC’s student achievement benchmark rate.² In response, Elegance International stated that the employment rates for the 12-month and 15-month Artistry of Makeup programs are below benchmark because the graduates reported as “Graduate-Unemployed” on the Graduation and Employment Charts have not yet been verified and do not have all required documentation, such as the Zoho forms. Furthermore, Elegance International stated that the school has not yet categorized the graduates as employed in the field and will do so upon receiving the verified employment and Zoho forms. Elegance International also stated that there are 90 graduates reported for the 12-month Artistry of Makeup program and that once verification items are complete, the school will move the 90 graduates to the “Graduates-Employed in Field” category thus raising the employment rate.

Given this explanation, it is imperative that Elegance International provide the updated graduation and employment data that include those graduates employed in field once verified. Elegance must also provide supporting documentation including employment verification forms (i.e., Zoho forms) to demonstrate the employment status of those graduates classified as employed in-field.

Based on the foregoing, the Commission directs Elegance International to submit the following:

- a. ACCSC Graduation and Employment Charts using a **March 2019 Report Date** for the 12-month and 15-month Artistry of Makeup programs.
- b. Summary information for each Graduation and Employment Chart organized according to the corresponding **cohort start date** reported on the chart (line #1) as follows:
 - i. For each student start, provide the following information:

Student ID#	Program	Start Date	Graduation Date	Withdrawal/Termination Date

- ii. For each student classified as Unavailable for Graduation:

Student ID#	Program	Reason for Classification (Example below)	Description of Documentation on File (Example below)
		Deceased	“Copy of death record, copy of obituary, or other official documentation on letterhead”

- ii. For each graduate classified as Graduate-Further Education:

Graduate ID#	Program	Reason for Classification (Example below)	Description of Documentation on File (Example below)
		Enrolled at ABC Community College	“Enrollment Agreement at institution where student is continuing education”

² Section VII (B)(1)(b)(ii), Substantive Standards, Standards of Accreditation and Appendix VI - Student Achievement Rates.

iii. For each graduate classified as Graduate-Unavailable for Employment:

Graduate ID#	Program/length	Reason for Classification (Example below)	Description of Documentation on File (Example below)
		Medical Condition	“Copy of documentation from the graduate's physician that demonstrates that the graduate cannot pursue employment due to a medical condition.”

iv. For each graduate classified as Available for Employment:

Graduate ID#	Program/length	Employment Status/ Place of Employment	Description of Documentation on File (Examples below)
			<p><u>Regular Employment:</u> “E-mail from the graduate” or “Employment verification form signed by Employer”</p> <p><u>Self-Employment:</u> “A Statement signed by the Graduate that includes all elements listed in the Guidelines for Employment Classification” (This is the only (minimally) acceptable documentation for self-employed graduates</p>

c. Any additional information that the school believes will be useful in demonstrating to the Commission that the information and data reported to ACCSC on the Graduation and Employment Charts is accurate and reliable.

3. Elegance International must demonstrate that the school only classifies graduates as employed in field who are employed for a reasonable period of time in a position that can be considered sustainable (*Section VII (B)(1)(b), Substantive Standards and Appendix VII, Standards of Accreditation*). Elegance International also must demonstrate that the school supports student achievement rates through verifiable records of initial employment of its graduates (*Section VII (B)(1)(b), Substantive Standards, Standards of Accreditation*). At issue is Elegance International’s practices with regard to reporting employment rates to the Commission that do not represent sustainable employment in accordance with ACCSC’s *Guidelines for Employment Classification*.

In the November 28, 2018 Probation Order, the Commission provided Elegance International with an opportunity to submit evidence that elegance International revamped the school’s policies and procedures with regard to employment classifications and documentation. In response, Elegance International provided the school’s revised Career Services policy that includes the following definition of “Event/Project Based Employment”:

Event/ Project Based Employment: Also known as “gig” or “freelance” employment. For a graduate to have sustainable employment, they will need to have met the requirements detailed in the Career Services Placement Policy section. Each event/project based employment must utilize the skills and training acquired during their program at EI. This includes, but is no limited to, tv/film shoots, photoshoots, commercial shoots, private clients, etc. Event/project based employment must be paid; however, graduates are not required to provide income information. In the instance when a graduate, due to confidentiality issues, must keep their client’s contact information private (such as the case with celebrity clients), the graduate’s contact information will serve as verifiable documentation. Event or project workdays can vary from one to ten plus hour workdays because of the nature of the industry. They can range from private client makeups that are completed in less than 2 hours to 15-hour music video workdays.

Elegance International also stated that the school adheres to the Bureau of Post-Secondary Private Education (“BPPE”) employment standards as part of the school’s internal placement policy. Elegance International provided a copy of the Career Services Placement Policy and the specific BPPE employment standards regarding placement. The policy states:

BPPE defines Gainfully Employed as a graduate employed in a job classification under the United States Department of Labor’s Standard Occupational Classification codes, using the Detailed Occupational (six-digit) level, for which the institution has identified in its catalog and in its employment positions list required by section 94910(f)(2) of the Code that the program prepares its graduates; and the graduate is employed in a single position or concurrent aggregated positions totaling at least 30 hours per week for 5 weeks [emphasis added] (35 calendar days). If the student does not meet the hours/weeks minimum above,

- 1. then totaling at least 20 hours per week for 5 weeks [emphasis added] (35 calendar days) with a statement signed by the graduate stating that he or she chose to seek part-time employment rather than fulltime employment after graduation, or*
- 2. the graduate is employed by the same employer that employed the graduate before enrollment,*
- 3. The graduate is self-employed or working freelance [emphasis added] as reasonably evidenced by, but not limited to, a business license, fictitious business name statement, advertising (other than business cards), website, or business receipts or other evidence of income from business; or an attestation signed by the graduate of self-employment or freelance work and dated after graduation.*

The policy shows that if a graduate does not meet the requirement of employed in a single position totaling at least 30 hours per week for 5 weeks then the student has the option to meet one of the three additional options. While the policy defines a set number of hours (i.e. at least 30 hours or at least 20 hours) to be considered employed in the field of make-up artistry, the Commission noted from #3 of the policy, that the self-employment option does not include a set number of hours required for the graduate to work in the related field. The Commission therefore noted that the policy does not define sustainability of employment as the policy relates to self-employment. Additionally, it appears from the majority of the provided employment records that Elegance International relies primarily upon #3 of the policy to define the school’s employed in-field classifications. However, given the lack of definition of sustainability under the self-employment option, Elegance International has yet to demonstrate the school’s definition and requirements for sustainable employment for self-employment in the field of make-up artistry.

Furthermore, the Commission reminds the school that if a conflict exists between a state licensing agency and ACCSC requirements, the more stringent requirement will take precedence (*Section I (B)(2)(e), Rules of Process and Procedure, Standards of Accreditation*). Elegance did not demonstrate that under the BPPE rules regarding self-employment that “sustainability” is defined, therefore the Commission’s requirements regarding sustainability of employment in all cases including self-employment apply. The Commission noted again that Elegance International did not demonstrate that the school defined sustainable employment for the make-up artistry career field and did not justify what is a reasonable period of time is to be employed in the field and therefore to be classified as employed in-field as self-employed/freelance employment.

In addition, Elegance International provided a list of all graduates classified as employed in-field for the period of December 15, 2018 through February 28, 2019 and a copy of employment documentation

for each graduate for the Artistry of Makeup 12-month and Artistry of Makeup 15-month programs. The Commission noted from the employment verification documentation that the majority of the graduates employed in the related field continue to work in “one day gigs” at any given time without employment consistency. The Commission noted the following examples from the Project/Event Based Employment Verification Forms provided by the school:

Graduate Name	Project/Event Date	Type of Service Provided
██████████	07/12/2017	Drag Make-up \$200
	09/17/2018	Drag Make-up \$150
	08/30/2018	Airbrush Make-up \$300
██████████	08/16/2018	Bridal Make-up \$100
	01/09/2018	Bridal Looks \$90
	09/14/2017	Groom’s Make-up \$150
██████████	07/14/2017	Beauty Make-up for Date \$150
	12/12/2017	Beauty for Wedding \$100
	11/08/2017	Full Beauty Make-up for Photoshoot \$200

In addition to the aforementioned examples, the Commission noted that of the 24 graduate verification forms and corresponding Zoho forms provided by the school, 13 graduate verification forms and the corresponding Zoho forms consisted of only three one-day projects to support in-field classifications and self-employment statuses. While Elegance International no longer includes the “three-day gig” policy in its policy and procedures for employment classifications, the Commission noted the types of gigs being counted as employment and based on the supporting documentation found that it appears the school continues to accept anything as a gig and under any time frame. Again, the response does not demonstrate the employment classifications meet requirements regarding sustainable employment.

Based on the foregoing, the Commission determined that Elegance International is out of compliance with accrediting standards and must accurately define sustainability of employment as it relates to self-employment and freelance employment. Additionally, the school must define sustainability in regards to meeting BPPE’s policy as noted in #3 of the BPPE placement policy – again 3 gigs in a 1-year period is not acceptable. The school must show that the graduate is consistently/regularly working and earning job-related income before the school counts the graduate as employed. If Elegance International is unable to demonstrate that the self-employed and freelance graduates hold sustainable employment in the field, the school must remove these graduates as “employed in-field” and reclassify the graduates as “Graduates - Unemployed”.

As part of the school’s response in this regard, the Commission directs Elegance International to submit the following:

- a. For those graduates classified as “employed in-field” from the Graduation and Employment Charts provided in item #2, a copy of the employment documentation for each, including verification and Zoho forms along with an explanation for each in-field placement as to how the employment is considered sustainable;

- b. For those graduates classified as “self-employed” and “freelance,” provide supporting documentation to align with item #3 of the BPPE classification policy: *a business license, fictitious business name statement, advertising (other than business cards), website, or business receipts or other evidence of income from business; or an attestation signed by the graduate of self-employment or freelance work and dated after graduation; and*
 - c. A copy of the school’s Career Services Placement Policy to include the school’s definition of “Sustainability of employment” as it relates to self-employment and freelance and a policy regarding how the school determines the graduate is consistently/regularly working and earning job-related income.
4. Elegance International must support the accuracy of its reported employment rates (*Section VII (B)(1)(b); Appendix VII; Substantive Standards, Standards of Accreditation*). Previously, in the August 21, 2018 Probation Order the Commission directed Elegance International to submit the results of the third-party audit directed by the Commission as well as the 2018 Annual Report verification results. The response to the August 21, 2018 Probation Order indicated that the school still did not have the verification project completed but that the school “will upload the results” once completed. In the November 28, 2018 Continued Probation Order, therefore, the Commission again directed the school to engage an independent third party to verify the data submitted in response to the graduation and employment rates using the January 2018 Report Date and from the 2018 Annual Report.

In response, Elegance International stated the following:

The institution apologizes that this was not completed as timely as the Commission would have liked, and would like the Commission to note that it takes its probationary status extremely seriously. As directed by the Commission, the institution has the CARS certification statement and report for the January 2018 cohort (the cohort requested by the Commission) and the detailed information regarding each graduate placement is provided in this response. Additionally, the institution would like to note that upon submission of the 2018 Annual Report, it began the process of submitting the information to CARS and is in the midst of the campaign. The institution has included the CARS interim statement for the 2018 Annual Report cohorts in this submission.

While the Commission recognized that Elegance International provided the requested January 2018 cohort data and corresponding graduate placement information, Elegance International again failed to provide a complete response to the Continued Probation Order by again omitting the results from the 2018 Annual Report CARS employment verification report in its response. The Commission is providing a final opportunity for Elegance International to submit the 2018 Annual Report results in response to this Continued Probation Order.

In addition, in its response to the Continued Probation Order, Elegance International provided a copy of the CARS interim statement that includes a Project Summary as follows:

Program	# Records	Active	Invalid	Invalid %	Unable to Verify	Unable to Verify %	Verified Placed as submitted	Verified placed as submitted %	Verified placed but different	Verified placed but different %
Artistry of Makeup	90	26	5	5.56%	35	38.89%	20	22.22%	4	4.44%

The interim CARS' results includes the 90 graduate records that Elegance International refers to in its response to the November 28, 2019 Continued Probation Order as stated in item #1 of this letter acknowledging that the schools plans to move the 90 graduates to the "Graduates-Employed in Field" category upon verification, thus raising the employment rate. The school must provide the final placement statuses of those 90 graduates as reported in the 2018 Annual Report and demonstrate that all placements are verified by CARS. Elegance International must also demonstrate compliance with sustainability of employment for all verified in-field placements (See item #3 of this letter) and provide accurate data to support the reported employment rates for the Artistry of Make-up program in response to item #2 of this letter regarding student achievement rates.

The Commission again directs Elegance International to complete the required independent third party³ verification process to verify the data submitted in response to this letter as follows:

- The independent third party must select minimally a 50% sample of employed graduates (classified as "Graduates-Employed in the Field") on line 14 of **each** Graduation and Employment Chart submitted in response to Item #1(b) using the **March 2019 Report Date** [and the **2018 Annual Report** – see above] and to report the verification results from that sample (once the 10% sample has been selected by the independent third-party verifier for the purposes of this Employment Verification Report, the independent third party may not alter the sample in an effort to get better results);
- The independent third party must verify employment records from the employer or graduate either verbally or in writing; and
- The independent third party must verify the employment data in a manner independent and without assistance from the school, with the exception of the school's provision of records to be verified.

The Commission directs the school to submit the following:

- a. A certification statement from the independent third party stating that:
 - i. The independent third party selected minimally a 10% sample of employed graduates (classified as "Graduates-Employed in the Field") on Line 14 of **each** Graduation and Employment Chart;
 - ii. Once the 10% sample had been selected by the independent third party for the purposes of this supplemental employment verification, the independent third party did not alter the sample in an effort to get better results;
- b. The disclosures made by the school's independent third party in accordance with Section VII (C) of the Self-Evaluation Report (see Item 4, page 35 of 55);⁴
- c. The independent third party's full and unadulterated Employment Verification Report from the verification efforts that includes a clear explanation of:
 - i. The record selection and verification methodology;
 - ii. The verification categories used for the purposes of the verification process (e.g., "verified as correct," "verified but different," "unable to verify," verified as not correct," etc.); and
 - iii. The results of the independent third party's efforts to verify the school's employment records;

³ Please refer [here](#) for information on choosing an Independent Third-Party Employment Data Verification Auditor.

⁴ [ACCSC Self Evaluation Report – Renewal Application](#)

- d. If the independent third party cannot verify or verifies as different 20% or greater of the sample for any program, then provide an explanation as to how the school’s records can be considered “verifiable” in accordance with the Commission’s standards;
- e. A summary of the employment verification results for each Graduation and Employment Chart as follows:

Independent Third Party Initial Employment Verification - Reported Program Rates			
Report Date	Program Title (Credential)		Length of Program (Months)
Total Number of Students Sampled	Total Number of Available Students To Sample*	Sample Size Percentage	
Verified as Correct	Verified but Different	Unable to Verify	Verified as Not Correct

PROBATION REQUIREMENTS

In cases where the Commission has reason to believe that a school is not in compliance with accreditation standards and other requirements, the Commission may, at its discretion, place a school on Probation. A school subject to a Probation Order must demonstrate corrective action and compliance with accrediting standards. **Failure of the school to demonstrate compliance with accrediting standards or other accrediting requirements by the due date set forth herein may result in a revocation of accreditation action.**

The Commission will not consider substantive changes, a change of location/relocation, or additions (i.e., separate facilities, new programs) to a school or its separate facilities while the school is on Probation. However, a school that is subject to Probation may seek the Commission’s approval for the transfer of accreditation that would result from a change of ownership as described in *Section IV, Rules of Process and Procedure, Standards of Accreditation*.

In accordance with *Section X, Rules of Process and Procedure, Standards of Accreditation*, a summary of the Probation Order is made public and provided to the U.S. Department of Education, appropriate State agencies, and appropriate accrediting agencies. Moreover, in accordance with *Section X (C)(6), Rules of Process and Procedure, Standards of Accreditation*, the Commission has notified the U.S. Department of Education of this action pertaining to the findings related to the school’s federal financial aid responsibilities.

In accordance with *Section VII (L)(7), Rules of Process and Procedure, Standards of Accreditation*, a school subject to a Probation Order must inform current and prospective students that the school has been placed on Probation and that additional information regarding that action can be obtained from the Commission’s website.

TEACH-OUT PLAN REQUIREMENT

Given the serious nature of the issues outlined herein, the Commission directs the school to provide an [ACCSC Institutional Teach-Out Plan Approval Form](#) which must be submitted as part of the response for the items listed above.

MAXIMUM TIMEFRAME TO ACHIEVE COMPLIANCE

Based on *Section VII (M), Rules of Process and Procedures, Standards of Accreditation* and the school's longest program, the maximum timeframe allowed for Elegance International to achieve and demonstrate compliance with the *Standards of Accreditation* is 18 months. Thus, the timeframe to achieve compliance began on August 21, 2018 and ends on **February 21, 2020**. Please also be advised that the Commission is under no obligation to wait for the maximum timeframe to expire and may take an adverse action prior to the expiration of the maximum allowable timeframe.

NOTIFICATION TO STUDENTS

The school must inform current and prospective students in writing that the school has been placed on Probation and that additional information regarding that action can be obtained from the Commission's website (*Section VII (L)(7) Rules of Process and Procedure, Standards of Accreditation*).

RESPONSE REQUIREMENTS

By applying for accreditation, a school accepts the obligation to demonstrate continuous compliance with the *Standards of Accreditation*. While the Commission employs its own methods to determine a school's compliance with accrediting standards, the burden rests with the school to establish that it is meeting the standards. The Commission's deliberations and decisions are made on the basis of the written record and thus a school must supply the Commission with complete documentation of the school's compliance with accrediting standards.

Elegance International must provide a response to the items expressed above that provides the information requested along with any additional information that the school believes supports a demonstration of compliance with accrediting standards.⁵ If the school's response contains documentation that includes personal or confidential student or staff information that is not required for the Commission's review (e.g., social security numbers, dates of birth, etc.), please remove or redact that information.

Elegance International must upload the school's electronic response directly to ACCSC's College 360 Database. The ACCSC College 360 database can be accessed by [clicking here](#). Please note that the password utilized by the institution to access the Annual Report Portal is the same to access the School Submission section of the College 360 database. The Instructions for College 360 DMS Submissions can be found [here](#). A detailed overview on how to upload a school submission can be found [here](#).

Keep in mind, the school's response must be prepared in accordance with ACCSC's Instructions for Electronic Submission (e.g., prepared as one Portable Document Format ("PDF") file that has been prepared using Adobe Acrobat software (version 8.0 or higher) and which has a .pdf extension as part of the file name). In addition, the Commission reminds the school that an acceptable PDF file is one that includes the compilation of all of the materials and documents into one single file and not a series of separate files. All electronic documents are to be submitted as **one continuous PDF document** using the Adobe Acrobat software. The school will receive an e-mail confirmation that the file has been received within 24 hours of the submission.

The school's response must also include a signed certification attesting to the accuracy of the information and be received in the Commission's office **on or before July 11, 2019**. If a response and the certification

⁵ ACCSC has issued two modules of the **Blueprints for Success Series** – [Organizing an Effective Electronic Submission](#) and [Preparing a Comprehensive Response for Commission Consideration](#) – which provide a framework for submitting a well-documented, organized, electronic response for Commission consideration. ACCSC encourages the school to review these modules when formulating its response to this letter. More information is available in the [Resources section](#) at www.accsc.org.

attesting to the accuracy of the information is not received in the Commission's office **on or before July 11, 2019**, the Commission will consider further appropriate action.

For assistance with the password or for any other questions regarding the electronic submission requirements, please contact [REDACTED] or [REDACTED]. Please note that any password requests to access College 360 must be made by the school director, or designated member of the school's management team, via e-mail.

For further assistance or additional information, please [REDACTED] or [REDACTED].

Sincerely,

[REDACTED]

Michale S. McComis, Ed.D.
Executive Director

c: [REDACTED]
[REDACTED]
[REDACTED]