



Accrediting Commission of Career Schools and Colleges

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[www.accsc.org](http://www.accsc.org)

September 14, 2017

**ELECTRONIC DELIVERY**

[Redacted]

American College of Hairstyling  
603 East Sixth Street  
Des Moines, Iowa 50309

*School #M000656*  
*Warning*

[Redacted]

At the August 2017 meeting, the Accrediting Commission of Career Schools and Colleges (“ACCSC” or “the Commission”) considered its previous decision to place American College of Hairstyling (“ACH”) located in Des Moines, Iowa on Heightened Monitoring due to its HCM2 status with the U.S. Department of Education (“the Department”). Upon review of ACH’s fiscal year ended December 31, 2016 audited financial statements, the Commission voted to place ACH on **Warning** with a subsequent review scheduled for ACCSC’s **November 2017** meeting. The reasons for the Commission’s decision and the Commission’s requirements for the school to demonstrate compliance are set forth below.

**HISTORY OF THE COMMISSION’S REVIEW:**

**February 2014 Review**

At the February 2014 meeting, the Commission considered its previous decision to place ACH on Warning in view of the school’s license suspension by the Iowa Board of Barbering (“the Board”). Upon review of the September 4, 2013 Commission letter and the school’s response, the Commission voted to vacate the Warning. Additionally, the Commission voted to place ACH on Financial Reporting in order to monitor ACH’s financial position as the school showed a net loss [Redacted]

[Redacted]

Subsequent to the February 2014 meeting, the Commission was copied on the February 28, 2014 notice from the U.S. Department of Education (“the Department”) disclosing that the Department had transferred ACH from the Advance method of payment to the Heightened Cash Monitoring 2 (“HCM2”) method of payment effective February 28, 2014. The Department took this action because of the school’s overdue compliance audit and unresponsiveness of returning the signed Program Participation Agreement.

**August 2014 Review**

At the August 2014 meeting, the Commission considered ACH’s Application for Renewal of Accreditation. Upon review of the record on file, the Commission noted several items pending review. These items included the school’s response to the March 12, 2014 ACCSC Financial Reporting Enclosure and the response to the July 8, 2014 ACCSC letter regarding the school’s HCM2 status with the Department. As a result, the Commission voted to table the review of the Application for Renewal of Accreditation until November 2014 in order to pair the application with other outstanding matters for the school.

### **November 2014 Review**

At the November 2014 meeting, the Commission considered ACH's Application for Renewal of Accreditation; Heightened Cash Monitoring 2 Status; and Financial Report. Upon review of the May 27, 2014 Team Summary Report ("TSR"); the March 12, 2014 ACCSC Financial Reporting Enclosure; the July 8, 2014 ACCSC letter regarding the school's HCM2 status; and the school's responses, the Commission voted to place ACH on Probation. ACH was unable to demonstrate compliance with accrediting standards in the following areas: financial structure and soundness; state requirements; student loan repayment; management and administrative capacity; management qualifications; graduate employment classifications; faculty prior work experience; program advisory committees; institutional assessment and improvement activities; refund policy; leave of absence policy; learning resource system; advertising and promotional materials.

### **May 2015 Review**

At the May 2015 meeting, the Commission considered its previous decision to place ACH on Probation. Upon review of the February 3, 2015 Probation Order and the school's response, the Commission voted to again continue ACH on Probation. The Commission found that ACH must demonstrate compliance with accrediting standards in the following areas: financial structure and soundness; compliance with state requirements; student loan repayment; program advisory committee; learning resource system budgetary allocations.

### **November 2015 Review**

At the November 2015 meeting, the Commission considered its previous decision to place ACH on Probation. Upon review of the June 17, 2015 Continued Probation Order, the Commission voted to continue ACH on Probation with a subsequent review scheduled for ACCSC's May 2016 meeting to provide opportunity for the school to demonstrate financial structure and soundness; compliance with federal and state requirements; compliance with the accreditation standards in the area of program advisory committees; and sufficient learning resource system budgetary allocations.

### **May 2016 Review**

At the May 2016 meeting, the Commission considered supplemental 2015 Annual Report Graduation and Employment data and its previous decision to continue the Probation Order. Upon review of the December 11, 2015 Probation Order, the February 10, 2016 Commission letter and the school's responses, the Commission voted to vacate the Probation Order and place ACH on Warning. The Commission found that ACH must demonstrate compliance with accrediting standards in the following areas: financial structure and soundness; compliance with federal requirements; successful student achievement by maintaining acceptable rates of student graduation and employment in the 7-month Barbering/Hairstyling for Licensed Cosmetologist program; compliance with the accreditation standards in the area of program advisory committees; and sufficient learning resource system budgetary allocations.

### **August 2016 Review**

At the August 2016 meeting, the Commission considered the Warning Order issued in conjunction with the Application for Renewal of Accreditation. Upon review of the June 3, 2016 Warning Order and the school's response, the Commission voted to vacate the Warning Order and grant ACH Renewal of Accreditation with Reporting and Heightened Monitoring due to its HCM2 status with the Department. The Commission's action renewed the school's accreditation for the period of four (4) years going forward from February 2014.



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**Warning Restrictions and Notification Requirements:**

Pursuant to *Section VII (K)(7), Rules of Process and Procedure, Standards of Accreditation*, 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 under a Warning. The Commission directs the school to inform all current and prospective students of the school’s Warning status with ACCSC.

**Teach-Out Plan:**

Due to the Commission’s concerns regarding ACH’s financial soundness the Commission requires the school to submit an [ACCSC Institutional Teach-Out Plan Approval Form](#) along with an [ACCSC Teach-Out Agreement Approval Form](#) and teach-out agreement with another accredited school for any programs/student(s) that the school cannot or would not intend to complete the training should closure of the school occur. The school must demonstrate that it has a plan that provides for the equitable treatment of students and that ensures obligations to students are timely met.

**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.

ACH 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.<sup>1</sup> 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.

ACH 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

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<sup>1</sup> 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](http://www.accsc.org).

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 Electronic Submission 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). The school will receive an e-mail confirmation that the file has been received within 24 hours of the submission.

The 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 October 19, 2017**. If a response is not received in the Commission's office **on or before October 19, 2017**, 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]. 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 contact [REDACTED]

Sincerely,



Michale S. McComis, Ed.D.  
Executive Director