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March 9, 2023

ELECTRONIC DELIVERY

Director
The North Coast College
11724 Detroit Ave.
Lakewood, Ohio 44107

School #M000710 Continued Probation Order

Dear

At the February 2023 meeting, the Accrediting Commission of Career Schools and Colleges ("ACCSC" or "the Commission") considered its previous decision to place The North Coast College ("NCC") located in Lakewood, Ohio on Probation. Upon review of the September 6, 2022 letter and the school's response, the Commission voted to continue NCC on Probation until the completion of the corresponding on-site evaluation ("COSE"). This decision affords the school an additional opportunity to demonstrate compliance with accrediting standards. The reasons for the Commission's decision and the Commission's requirements for NCC to demonstrate compliance are set forth below.

# **History of the Commission's Review:**

- At the June 2017 meeting, the Commission considered the supplemental 2016 ACCSC Annual Report
  graduation and employment information submitted by NCC, formerly Virginia Marti College of Art &
  Design. The Commission subsequently voted to place the school on Outcomes Reporting for the 24month Fashion Design (AAB) program and place the school on Heightened Monitoring for the Interior
  Design (AAB) 48-month program.
- At the May 2018 meeting, the Commission considered the Outcomes Report and supplemental 2017 ACCSC Annual Report information submitted by NCC. The Commission voted to continue NCC on Outcomes Reporting for the 24-month Fashion Design (AAB) program, the 48-month Graphic Design/Web Design (AAB) program, and the 48-month Interior Design (AAB) program.
- At the March 2019 meeting, the Commission considered the Outcomes Report and supplemental 2018 Annual Report information submitted by NCC. The Commission voted to continue NCC on Outcomes Reporting for the 24-month Fashion Design (AAB) program, the 24-month Interior Design (AAB) program, and the 48-month Interior Design (AAB) program.
- At the November 2019 meeting, the Commission considered the Outcomes Report submitted by NCC. The Commission voted to continue NCC on Outcomes Reporting for the 24-month Fashion Design (AAB) program and the 48-month Interior Design (AAB) program.
- At the May 2020 meeting, the Commission considered the Outcomes Report submitted by NCC. The Commission voted to continue NCC on Outcomes Reporting for the 24 and 48-month Fashion Design (AAB) programs, the 24 and 48-month Fashion Merchandising (AAB) programs, the 24-month Graphic Design (AAB) program, and the 24 and 48-month Interior Design (AAB) programs.
- November 2020: ACCSC granted NCC a six-month extension to submit financial statements for the fiscal year ended June 30, 2020. The new due date, communicated to the school in November and December 2020, was June 30, 2021.
- June 30, 2021: ACCSC granted NCC a further extension of the due date to submit financial statements for the fiscal year ended June 30, 2020 to August 30, 2021.
- At the August 2021 meeting, the Commission considered NCC's Outcomes Report and voted to place the school on Warning and to direct the school to cap/limit enrollment in the Fashion Design (AAB)

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and Interior Design (AAB) programs. As communicated via letter of October 26, 2021, the Commission directed the school to provide information to the on-site evaluation team for the school's Application for Renewal of Accreditation.

- November 15-16, 2021: ACCSC conducted a Virtual Visit.
- March 13, 2022: ACCSC issued the On-Site Evaluation Report (Virtual Visit), which includes 12 findings and 2 requests for additional information.
- At the June 2022 meeting, the Commission considered the school's Request for a Waiver of an Accreditation Standard or Policy whereby the school sought continued program approval for programs the school has not enrolled and started students in within 24 months of the initial program approval and voted to defer action for further additional information.
- At the August 2022 meeting, the Commission considered the following and voted to place the school on Probation and to deny the Request for a Waiver of an Accreditation Standard.
  - Delinquent Financial Statements for the fiscal years ending June 30, 2020 and 2021
  - Warning Order/Outcomes Report to On-site Evaluation (Virtual Visit)
  - Application for Renewal of Accreditation
  - Application for Initial Distance Education
  - Applications for a Baccalaureate Degree Program for the following:
    - Business Administration (BS);
      - > Fashion Merchandising Concentration
      - > Fashion Marketing Concentration
    - Business Administration DE (BS);
      - > Fashion Merchandising Concentration
      - > Fashion Marketing Concentration
    - Business Administration of Arts and Design Management (BS)
  - Deferral of Request for a Waiver of an Accreditation Standard or Policy

## SUMMARY OF THE COMMISSION'S FEBRUARY 2023 REVIEW

During the previous review, the Commission noted that NCC acknowledged that school operations were severely disrupted by the pandemic. The Commission evaluated the current response for evidence of recovery and a re-establishment of compliance with accrediting standards. In the two areas where the school had failed to provide required reports and to follow the processes required by the renewal of accreditation, NCC has now met the reporting requirements by submitting financial statements and a third-party audit of employment records. However, now that the reports have been received the information provided is indicative that the school is not operating in compliance with accrediting standards related to financial soundness<sup>1</sup> and maintaining verifiable records of initial employment.

The previous review called into question the management of the institution due to the number and severity of the findings at that time. In response to the Commission's concerns, the school described changes made

<sup>&</sup>lt;sup>1</sup> A letter regarding the Commission's review of the school's financial statements for the fiscal years dated June 30, 2020, 2021, and 2022 to be issued under separate cover.

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to the management structure, including the addition of "key people" and an improvement in employee turnover. The Commission found that the response does not fully answer the questions about management capacity and that the simple addition of more administrative staff does not necessarily correlate to improved management of the institution.

The September 6, 2022 Probation Order informed NCC that the Commission intended to take into consideration the totality of the school's response to that letter and the extent to which that response demonstrates the school's ability and willingness to engage in meaningful assessment and substantive corrective action. In response, the school presented plans that represent proposed future substantial changes to the school's focus, programmatic offerings, facilities, and image. The Commission expressed concern that NCC has yet to show that the school in its current form has sufficiently recovered from what the school described as the severe impact of the pandemic. The Commission is concerned that the school has yet to demonstrate sufficient resources for current operations let alone support the scope of the proposed changes.

As to demonstrating that students are successfully achieving the educational outcomes of the programs, NCC has recently taken steps to discontinue poorly performing programs. The Commission noted that as a result, a majority of the school's active programs do not yet have reportable student achievement outcomes. Although the school provided some preliminary positive indicators regarding retention rates for the programs, there is a question about the manner in which the data was prepared. The Commission is particularly concerned that school has been unsuccessful in student success over an extended period of time in previous programs and there is limited information to conclude that new programs will be successful.

Finally, the Commission took note of the fact that the school has yet to receive the Corresponding On-Site Evaluation required as part of the renewal of accreditation process. The Commission determined that an on-site evaluation at the school is required to verify the information provided by the school, to observe the implementation of improvement measures, and confirm the effectiveness of day-to-day operations of the school. Therefore, the Commission has directed that the school receive an on-site evaluation team and provide the required documentation as set forth in this letter.

### COMMISSION FINDINGS OF NON-COMPLIANCE

1. NCC has failed to demonstrate adequate management or sufficient administrative capacity and, as such, has not provided sufficient assurance that the school can operate in compliance with accrediting standards, meets its objectives, and fulfill its obligations to students in an ongoing manner (*Section I, Statement of Purpose, Substantive Standards, Standards of Accreditation*). With the September 6, 2022 Probation letter, the Commission informed NCC that due to the scope and nature of the findings identified in the October 26, 2021 ACCSC Warning letter, the March 13, 2022 On-Site Evaluation Report, the July 13, 2022 Deferral Letter and the issues that remain as set forth in the Probation letter, the Commission determined that NCC's leadership has not demonstrated the administrative capacity sufficient to ensure operation of the school in compliance with accrediting standards.

As part of the Probation letter, the Commission directed NCC to submit a description of the current management structure and administrative capacity. In response, the school stated "[w]e are happy to report that the North Coast College has fully regained its administrative capacity and adequate management capabilities" (NCC's December 30, 2022 Response, p. 3). The response indicates that the school has "hired key people" in the areas of Student Financial Services, Library Services, and Student Affairs. In the Fall of 2022, fourteen administrators served 37 students. The response describes the team as "composed of experienced, competent, and committed professionals" The Board of Directors is

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characterized as comprised of "reputable academicians and senior higher education Administrators." Although the response contains short "bios" for the 14 administrators, the Commission noted that there is no indication as to the amount of time the administrators direct to their responsibilities at the school. NCC claimed that there has been no turnover in the management team since the beginning of 2022; however, the response does not include the specific tenure data for the administrators. With regard to the board members, the response does not identify the board members, their qualifications, or describe the role the board has in the management of school operations.

Also, as part of the Probation letter, the Commission directed NCC to provide an assessment and justification as to how the described management structure and administrative capacity are adequate to ensure the school is able to fulfill its obligations to students and operate in compliance with accrediting standards. The response notes that the most recent student satisfaction survey conducted by the school October 2022 shows that 94% of students report feeling good about their decision to attend the school and 91% of the students surveyed report would recommend this school to a friend (assuming my friend was interested in this type of training). The Commission recognized the improvement in student satisfaction, and while important, is not necessarily an accurate indicator of how well the management structure is able to operate the school in compliance with accrediting standards. As further evidence of adequate management, the response states: "[t]he College is operating a fully functional organization, which includes the following committees: Assessment Committee, Curriculum Committee, Student Success Committee, Admissions Committee, and SAP Committee." Although the response includes a listing of the committees, there is no evidence that the committees are functional.

In addition to the description of the new management team, student satisfaction, and committees, NCC indicated that the school has decided to develop a "Balanced Scorecard," the purpose of which is described as follows:

The College decided to develop a Balanced Scorecard to demonstrate adequate management and sufficient administrative capacity, show that the school can operate in compliance with accrediting standards, meets its objectives, and fulfill its obligations to students in an ongoing manner. The Balanced scorecard is also created to make the process of organizing our business operations smoother, faster, and easier and to increase efficiency overall. The Balanced Scorecard will help us by comparing previous results against current organizational performance. It will also analyze any progress made with the Strategic Plan (Id., p. 31).

The document included in the response begins with a graphic that shows four areas: Financial Stewardship, Internal Business Process, Organizational Capacity, and Customer/Stakeholder. The narrative that accompanies the graphic addresses five areas: Learning and Growth, Technology, Internal Processes, Customer (students), and Financial. The narrative in each area provides general descriptions such as "[t]he college has reorganized, post-pandemic to adopt and prepare for similar challenges which results in more effective and efficient organization." (*Id.*, p. 34) The narrative does not explain how the college has reorganized or how it is preparing to meet future leadership challenges. Further, the Commission noted that the document does not include any quantifiable measures of success, as implied by the use of the term "scorecard" (*Id.*, p. 31) Overall, it is not clear how the "Balanced Scorecard" will help the school analyze progress with its strategic plan and the Commission found that the Balanced Scorecard does not provide information that shows the adequacy of the school's management.

Finally, the Commission directed the school to submit a description and evidence of any improvements to the management structure and administrative capacity that are indicated by the assessment and the school's plan for continuing those improvements moving forward. Rather than focusing on improvements to the management structure and administrative capacity, NCC provided the school's

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overall Strategic Plan for 2022 to 2027. The plan includes six broad initiatives in the areas of Re-Accreditation, Increase Enrollment to Pre-Pandemic Level, Improve Students' Success, New Branding, Renovate Facilities for Culinary Programs, and Strengthen Career Development. The plan also includes three to five goals to support each initiative for a total of 22 separate goals. The Commission found that the plan describes substantial changes in the direction of the school's programs, substantial increases in enrollment, renovation of facilities, and a "rebranding" of the school's mission. The plan does not include timelines to show when the goals are to be undertaken or the outlay of resources necessary to undertake such substantial changes. Given the state of the school's current resources and performance of the school relative to accrediting standards, the Commission questions whether NCC has established realistic and achievable near-term goals.

Based on the foregoing, the Commission found that although the school stated, "[i]n conclusion, the current management structure and practices are perfectly in line in meeting and exceeding accreditation standards on an ongoing basis," (*Id.*, p. 29) the school has not provided sufficient evidence to support this conclusion. Overall, it is not clear that the school has engaged in an assessment of the factors that contributed to the lapse in management capability during the pandemic or has developed safeguards to ensure that the school will operate in compliance with accrediting standards on an ongoing basis. That the school claims it has assembled a team of 14 administrators does not alone alleviate the Commission's concern regarding the management of the school. NCC has yet to show that there are sufficient resources, financial and otherwise, to bring about the substantial changes proposed in the response.

As part of the September 6, 2022 Probation Order, the Commission advised the school that part of the determination of the management structure's effectiveness would be dependent on a showing of substantive corrective action:

Upon its next review at the February 2023 meeting, the Commission will take into consideration the totality of the school's response to this Probation letter and the extent to which that response demonstrates the school's ability and willingness to engage in meaningful assessment and substantive corrective action (September 6, 2022 Probation Order, p. 4).

As noted in this letter, the Commission found that the school has yet to address the following areas of non-compliance: management, student achievement, verifiable records of employment, fair and consistent admissions policies. In addition, the Commission found that the school is advertising unapproved programs. As a result, the Commission found that the management of the school has not yet demonstrated an ability to operate the school in compliance with accrediting standards.

Accordingly, the Commission directs the school to prepare the following items for review by the COSE team:

- a. A description of how the school is managed (including campus-based and corporate oversight) and an assessment as to how this system effectively ensures that the school meets its objectives, fulfills its obligations to students, and meets or exceeds accrediting standards on an ongoing basis;
- b. An organization chart including names of the person in each position;
- c. A list all individuals responsible for full-time on-site management of the school (including campusbased and corporate oversight) and include as an exhibit a Staff Personnel Report for each individual listed;

d. A list of all management, educational, and administrative staff (including corporate staff as applicable) who have been employed by the school since the last accreditation review in the following format, organized by position, as follows:

Position	Staff Member's Name	FT / PT	Date Assumed Duties (Mo/Yr)	Date Employment Ceased (Mo/Yr)	# of Years Employed	Reason for Employment Ceased

and

- e. A description and evidence of any improvements to the management structure and administrative capacity that are indicated by the assessment request in Item (a.) above.
- 2. NCC has failed to demonstrate that the financial structure of the school is sound, with resources sufficient for the proper operation of the school and the discharge of obligations to its students. (*Section I (C)(1), Substantive Standards, Standards of Accreditation*). As of the September 6, 2022 Probation Order, NCC had failed to provide the required financial statements since the submission of the June 30, 2019 year statements on December 31, 2019. In response, NCC provided June 30, 2020, 2021, and 2022 audited financial statements. The results of the Commission's review of the financial statements will be conveyed to the school via separate letter; however, the Commission is interested in the school's current financial structure, and budgeting process. Accordingly, the Commission directs the school to provide the COSE team with the following:
  - a. A description of the school's current financial structure and a justification as to how the school has sufficient resources for the proper operation of the school and discharge of obligations to students;
  - b. A description of the school's budgeting process and how the school monitors budgetary projections in relation to actual income and expenses on a regular basis throughout the fiscal year;
  - c. A description of how the school allocates working capital for expenditures required to ensure the proper operation of the school and the discharge of the school's obligations to students as well as expenditures for institutional improvement and faculty development activities;
  - d. A copy of the school's current fiscal year budget with a budget-to-actual analysis as of March 2023; and
  - e. Any additional information that the school believes will assist the Commission in determining the school's compliance with accrediting standards.
- 3. NCC has failed to demonstrate successful student achievement, particularly by maintaining acceptable rates of student graduation (Section VII (B)(1)(b), and Appendix VI, Substantive Standards, Standards of Accreditation). The Commission's review of student achievement outcomes has focused on four programs, the only four that have been operational long enough to have reportable graduation and employment rates, and which also have been subject to the Commission's ongoing scrutiny via Outcomes Reporting as outlined in the history section of this letter above. As a result of the August 2022 review, the Commission found that the persistence of below-benchmark rates, and the school's inability to improve those rates called into question the school's ability to conduct a meaningful assessment of its programs and the extent to which the school is able to fulfill its obligations to students. Therefore, the Commission directed NCC to justify the continued approval of the four programs based on a history of poor student achievement.

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In response, NCC informed the Commission of the school's decision to discontinue three of the four programs: the Fashion Design (AAB), Graphic/Web Design (AAB), Interior Design (AAB) programs. The last student from the Fashion Design (AAB) program is projected to graduate in December 2023. The Graphic/Web Design (AAB) and Interior Design (AAB) programs are inactive with no currently enrolled students.

The school continues to offer the Fashion Merchandising (AAB) program. The Commission reviewed the student achievement outcomes for this program over the last five years and noted the following results:

	Length in	GRADUATION RATES							
PROGRAM (Credential)	Months	July 2017	July 2018	July 2019	Jul. 2020	Nov. 2021	Jan. 2022	Jul. 2022	
Earlier Manshaudiains (AAD)	24	38%	42%	25%	38%	0%	0%	*	
Fashion Merchandising (AAB)	48	60%	80%	56%	33%	33%	25%	61%	

<sup>\*</sup> The school's response does not include a Graduation and Employment Chart for this program and the Graduation and Employment Chart included with the 2022 Annual Report shows no starts for the Reporting Period.

The Commission noted that using a July 2022 Report Date, the school has reported an above-benchmark rate of student graduation for the 48-month schedule of the Fashion Merchandising program. Although this represents an improvement over previously reported rates as seen in the data above, the Commission remains concerned about the performance of the program over time. In providing justification for continuing to offer the program, the school stated that the emphasis of the fashion industry has shifted from Fashion Design to Fashion Merchandising. The school's programs in this area are the AAB program and also a concentration of the Business Administration and Business Administration-DE (BS) programs. With regarding to the Fashion Merchandising industry, the school indicated that the students planning to open their own retail business gravitate to the AAB program, and the BS program appeals more to students who will be entering the corporate environment. The response describes a declining employment market; however, indicates that there are projected to be 47,400 job openings for purchasing managers, buyers, and purchasing agents each year. It appears that these projections refer to opportunities on the corporate pathway and the response indicates that typical entry-level education for merchandisers is with a bachelor's degree. In terms of justifying the continued approval of the Fashion Merchandising (AAB) program, the school's response focuses on the continued accreditation of the institution, rather than the program. The focus on the value of the school to the community did not, in the Commission's estimation, address question about the appropriateness of continuing to enroll students in a program with a history of low student achievement rates.

At this juncture, NCC has seven programs included within the school's scope of ACCSC accreditation, one of which is in teach-out. Of the remaining six programs, only one has been operational long enough to be reportable via the Graduation and Employment Chart. The rates most recently reported to the Commission are outlined in the table below. The school provided a Graduation and Employment Chart for the 48-month schedule of the Fashion Merchandising (AAB) program with the response and the rest of the data is as reported on the 2022 ACCSC Annual Report.

Program (Credential)	Length in Months	School Graduation Rate	ACCSC Benchmark Graduation Rate	School Employment Rate	ACCSC Benchmark Employment Rate
Business Administration (BS) With concentrations in Fashion Merchandising Fashion Marketing	48	*	40%	*	70%
Business Administration-DE (BS) With concentrations in Fashion Merchandising Fashion Marketing	48	*	40%	*	70%
Eachian Marchandising (AAB)	24	**	40%	**	70%
Fashion Merchandising (AAB)	48	61%	40%	88%	70%
Graphic Design (BFA)	48	*	40%	*	70%
Graphic Design-DE (BFA)	48	*	40%	*	70%
Interior Design (BFA)	48	*	40%	*	70%

The program has not been operational long enough to be reportable via the Graduation and Employment Chart formula for the 2022 Annual Report.

The Commission recognized the steps taken by NCC to discontinue poor-performing programs. However, in absence of student achievement data for the school's current programs, it is difficult to determine whether the school is fulfilling its obligations to students. As directed, NCC included Retention Charts for the five baccalaureate degree programs. The Commission noted that the school prepared the charts using a program length of 96 months, which is twice as long as the 48 months reported in the 2022 Annual Report. It is unclear why the school used the extended number of months, and the Commission is interested in reviewing Retention Charts prepared using the proper normal duration of the program.

Based on the foregoing, the Commission found that although the school has taken steps to discontinue poorly performing programs, there is now a lack of data for the school's remaining programs. In addition, although the Fashion Merchandising (AAB) program has recently reported an above-benchmark student graduation rate, the Commission is not convinced that the school will be able to ensure successful student achievement in the program on an ongoing basis. Given the history of below-benchmark graduation rates and the absence of data for a majority of the school's programs, the Commission determined that more data is necessary to make a determination that students are successfully achieving the program outcomes.

Accordingly, the Commission directs the school to prepare the following items for review by the COSE team:

- a. Retention Charts<sup>2</sup> for the five baccalaureate degree programs, prepared using the reported normal program duration of 48 months and a **July 2023 Report Date**;
- b. For each baccalaureate program, provide a list of graduates from that program for the last five months and employment information, in the following format:

<sup>\*\*</sup> No starts for the 2022 Annual Report Reporting Period.

<sup>&</sup>lt;sup>2</sup> Available for download at https://www.accsc.org/Forms-and-Reports/Forms-And-Reports.aspx

Graduate ID	Program	Start Date	Employer, Contact, Address, & Phone #	Date of Initial Employ.	Descriptive Job Title	Other Status (Unemployed, Further Ed., Unknown, Etc.)

- c. An assessment of the factors impacting the rates of student graduation (e.g., admissions requirements and student support) and graduate employment (e.g., economic conditions) in the Fashion Merchandising (AAB) program over the last five years and a description of the strategies implemented by the school;
- d. A Graduation and Employment Chart<sup>3</sup> for the 24-month and the 48-month Fashion Merchandising (AAB) programs using a **July 2023 Report Date**;
- e. 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:

Count	Student ID	Program	Start Date	<b>Graduation Date</b>	Withdrawal/Termination Date N/A	
1	12345	Fashion Merchandising	01/10/2017	06/01/2021		
2	12346	Fashion Merchandising	01/10/2017	N/A	07/10/2018	

ii. For each student classified as "Unavailable for Graduation" (line #6), provide the following information:

Count	Student ID	Program	Start Date	Reason Unavailable	Description of the Documentation on File
1					

iii. For each graduate classified as employed in the field<sup>4</sup> (line #14), provide the following information:

Count	Graduate ID	Program	Start Date	Grad. Date	Employer, Contact, Address, & Ph. #	Date of Initial Employ.	Descriptive Job Title and Responsibilities	Source of Verification <sup>5</sup> (i.e., graduate or employer)
1								

iv. From the list in (iii) above, for each graduate classified as employed in a training related field that is "self-employed," provide the following:

I	Count	Graduate ID	Program	Start Date	Graduation Date	Description of the Documentation on File
ı	1					

v. From the list in (iii.) above, for each graduate classified as employed in a training related field that is "Career Advancement," provide the following:

Count	Graduate ID	Program	Start Date	<b>Graduation Date</b>	Description of the Documentation on File
1					

vi. For each graduate classified as "Graduates-Further Education" (line #11) or "Graduates-Unavailable for Employment" (line #12), provide the following information:

Count	Graduate ID	Program	Start Date	Classification on the Graduation and Employment Chart	Reason	Description of the Documentation on File
1						

<sup>&</sup>lt;sup>3</sup> See the December 21, 2021, ACCSC <u>Accreditation Alert</u> regarding COVID-19 guidance for student achievement reporting effective for any Graduation and Employment Charts submitted with a January 2022 Report Date going forward.

<sup>&</sup>lt;sup>4</sup> See Appendix VII – Guidelines for Employment Classification, Standards of Accreditation.

<sup>&</sup>lt;sup>5</sup> Appendix VII (4) – Guidelines for Employment Classification, Standards of Accreditation requires the school to verify the employment classification.

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and

- f. Any additional information to include additional contemporaneous student achievement data not captured in the Graduation and Employment Chart or the Retention Chart that the school believes will be useful to the Commission in making a determination regarding the school's compliance with ACCSC's student achievement outcomes requirements.<sup>6</sup>
- 4. NCC has failed to demonstrate that the school supports its reported rates of employment by maintaining verifiable records (Section VI (C)(2) and Section VII (B)(1)(b), Substantive Standards, Standards of Accreditation). At issue has been the school's failure to engage a third-party to verify employment data as reported to ACCSC:
  - June 15, 2021: The results of the third-party verification process were due with the ACCSC Self-Evaluation Report-Renewal ("SER"). At that time of the submission, NCC indicated that the "resources needed to hire a company for this process has been unavailable until recently and that the President of the school was working to negotiate terms and services.
  - November 15-16, 2021: During the virtual visit, the on-site evaluation team found that the school had not engaged with a third party to conduct the required verification process.
  - June 30, 2022: Upon review of the school's response to the March 13, 2022 OER, the Commission found that the school had not engaged with a third party to conduct the required verification process.

In response to the September 6, 2022 Probation Order, NCC indicated that the third-party verification process had been conducted for 60 employment records from 2019, 2020, 2021, and 2022. The results, dated December 28, 2022, show that the third party verified:

- 60% (36 of 60) of the records as correct;
- 10% (6 of 60) of the records as substantially correct but different;
- 7% (4 of 60) as incorrect; and
- Was unable to verify 23% (14 of 60) of the records.

While the response includes a copy of the contract with the third party and an attestation regarding the independence of the third party, NCC did not provide a list of the students in the verification sample or supporting documentation to show that the school's employment records are maintained in compliance with accrediting standards.

#### NCC also stated the following:

The results of the third-party employment verification study can and will improve. The campus closure from March 2020 to Fall 2021 impacted our reach to the graduates and their responses, whose employment information is usually collected on campus. However, that period is behind us and with newly designed processes we are confident to improve and make the verification process more successful (NCC December 30, 2022 Response, p. 146).

<sup>&</sup>lt;sup>6</sup> Pursuant to Section VII (B)(1)(b)(iv), Substantive Standards, Standards of Accreditation, for any program that has a graduation or employment rate that is lower than the Commission's established benchmark rates, a school may still demonstrate with supporting documentation the successful achievement of its students in that program by providing other reliable indicators of successful student learning and by showing that factors such as economic conditions, state and national trends, location, student population served, length of program, students who withdraw from training but still obtain employment, state requirements, or other external or mitigating factors reasonably related to student achievement are adversely impacting the school's ability to meet the Commission's established benchmark rates.

The response describes the ways in which the school intends to improve the verification process, including the improving the timeliness in which employment information is submitted, having the third party verify three times a year, and increasing post-graduate communication and community outreach. NCC did not provide any employment records to demonstrate that the school's efforts have been either implemented or effective.

Based on the foregoing, the Commission found that although the school has now completed the required verification process, the results raise a question regarding the verifiability of the school's records. The Commission is interested in a more comprehensive analysis of the school's recordkeeping processes and an indication that the school has measures in place that will ensure ongoing compliance with accrediting standards. Accordingly, the Commission directs the school to prepare the following items for review by the COSE team:

- a. A copy of the school's current process and procedures for recording and verifying graduate employment to include information for self-employed and career advancement graduates;
- b. A copy of the current verification form or other tool the school is currently utilizing to verify employment;
- c. For each graduate who gained employment in the career for field for which the school provided education in the last six months, the following information:

Count	Student ID	Program	Start Date	Grad. Date	Employer, Contact, Address & Phone #	Date of Initial Employ.	Descriptive Job Title
1	12347	Fashion Merchandising	1/10/18	1/10/18	TJX, Ms. Smith, 123 Sample Way, Anywhere, MD 222.333.1234	2/1/18	Purchasing Agent

- d. The school must provide the following supplementary information for each graduate identified in item (c) above:
  - i. A copy of the school's completed verification form for each graduate employed;
  - ii. For each graduate classified as self-employed, a signed statement from the graduate verifying that the employment is valid which includes the following:
    - The graduate's name and contact information;
    - An attestation that the self-employment is aligned with the individual's employment goals, is vocational, and is based on and related to the education and training received;
    - An attestation that the graduate is earning consistent training-related income; and
    - In cases where licensure is required for employment, an attestation that such licensure has been achieved; and
  - iii. For each graduate classified as "career advancement," supporting and verifiable documentation for each graduate to include a signed statement from the graduate or employer acknowledging that the training allowed the graduate to maintain the employment position due to the training provide by the school or that the training supported the graduate's ability to be eligible or qualified for advancement due to the training provided by the school.

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### ADDITIONAL COMMISSION FINDINGS

The following are areas where the Commission remains concerned regarding the school's compliance with accrediting standards but has not yet made an affirmative finding of non-compliance.

1. NCC must demonstrate that the school does not describe in its catalog, advertise, or promote new programs or degree programs prior to receiving written Commission approval (Section IV (B)(8), Substantive Standards, Standards of Accreditation). As part of the August 2022 Probation, the Commission acted to deny NCC's Request for a Waiver of Accreditation Standard or Policy, as stated in the September 6, 2022 letter (p. 18) as follows:

In addition to the findings enumerated in this letter, the Commission acted to deny NCC's Request for a Waiver of an Accreditation Standard or Policy, specifically Section IV (E)(6)(f)(i), Rules of Process and Procedure, Standards of Accreditation, which states that "[i]f a school does not enroll and start students in a newly approved program within 24 months of the initial program approval date, the new program will cease to be approved." The Commission approved the Business Administration of Arts and Design Management (BS) program on May 23, 2017; the Baking & Pastry Arts (AS) and Culinary Arts (AAS) programs on February 19, 2019; and the Food and Beverage Business Management (BS) programs on March 7, 2019. In context of the critical nature of the Commission's findings of noncompliances and questions regarding the adequate management of the school, the Commission found no basis upon which to grant the school an opportunity to start new programs when the school has not shown success in the current programmatic offerings. As such, if the school wishes to offer these programs in the future, the school must follow the process and procedure for new programs as outlined in the Standards of Accreditation and submit the necessary application and may not advertise, recruit, or enroll students in these programs until the school receives Commission approval.

The Commission ceased to approve the programs as of September 6, 2022; however, during the review of the school's December 30, 2022 response to the Probation, the Commission found that the school is advertising these unapproved programs as "Coming Soon" in both the catalog and the website. Therefore, the Commission directs the school to cease advertising the availability of these unapproved programs immediately and to submit copies of advertising and the catalog to the COSE team as evidence that the action has been taken.

2. NCC must demonstrate that the school has established an admissions process for distance education programs and courses of study that includes the use of an assessment tool (e.g., test, preparation/ orientation course, etc.) to determine if the student's learning style is conducive to online learning (Section IX (F)(b), Substantive Standards, Standards of Accreditation). The issues regarding admissions requirements were first raised by the on-site evaluation team, in particular the way in which the TNCC Entrance Test and Acceptance Matrix were weighted and whether the school obtained the requisite translation and certification for credentials from a foreign country. NCC's response to the OER did not fully demonstrate that the school had adopted objective criteria that were consistently applied prior to enrollment. Therefore, the September 6, 2022 Probation directed the school to submit additional information regarding admissions criteria.

In response, the school appears to have revised its admissions policy to create a more structured approach and which appears to have been applied consistently based on documentation provided in the response. However, a review of the admissions criteria published in the catalog raises a question about how the school is assessing an applicants' ability to learn in the distance education environment. The

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Commission found that the school appears to have changed the statement of admissions requirements for distance education students and removed the determination of whether the student's learning style is conducive to on-line learning. According to the catalog included in the NCC's June 30, 2022 Response:

Students must complete 1-4 of the Admissions Requirements under Admission Requirements and Procedures. In addition to completing the required Admissions Requirements, Online (distance education) applicants will be required to complete a technology assessment and orientation course on Canvas. The orientation module explains the best practices for conducting Online learning, overall operation of the Online platform, procedures for troubleshooting problems, and contacting the technical support team. At the end of the orientation course, students will need to complete a checklist that confirms the students have received sufficient instruction. Applicants will also be required to complete a self-assessment of Online learning readiness. This assesses whether the student has the necessary skills, competencies, and access to technology to succeed in a distance education environment. Applicants for Online degree programs are required to have access to a reliable computer capable of running multimedia applications and navigating media-rich websites. Applicants are also required to have access to a reliable high-speed Internet connection (p. 307).

By contrast, the catalog submitted with the December 30, 2022 response states the requirements for distance applicants as follows:

Online (distance education) applicants will be required to complete technology assessment quiz, available online. This assesses whether the student has the necessary skills, competencies, and access to technology to succeed in a distance education environment. DE Applicants will need to score 70% or higher to enroll in DE programs. Applicants for Online degree programs are required to have access to a reliable computer capable of running multimedia applications and navigating media-rich websites. Applicants are also required to have access to a reliable high-speed Internet connection (p. 931).

It appears that the assessment regarding whether an applicant's learning style is conducive to online learning has been removed from the requirements. In absence of this assessment, NCC has not demonstrated that the school is determining whether a student is capable of benefitting from the training offered in a distance education format. Accordingly, the Commission directs the school to prepare the following items for review by the COSE team:

- a. An explanation as to how the school's policy and process enables the school to determine prior to enrollment –whether a student has:
  - i. The technical skills, competencies, and access to technology necessary to succeed in a distance education environment;
  - ii. The capacity to benefit from enrolling in a distance education program; and
  - iii. A learning style is conducive to online learning;
- b. Information as to how the school determined the validity and reliability of the assessment tools used in the admissions process;
- c. A copy of the process that the school utilizes when a student does not successfully pass the online readiness test;
- d. A list of the ten most recent applicants to all programs that are delivered in a hybrid format or fully distance education using the following format:

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Student ID#	Program	Start Date	Date Enrollment Agreement Signed by Student	Date Enrollment Agreement Signed by Accepting School Official	Name of Accepting School Official

and

e. Copies of admissions documentation, distance education readiness assessments, and enrollment agreements for the applicants listed in (d.).

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### **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 (Section VII (L)(6) Rules of Process and Procedure, Standards of Accreditation).

In accordance with Section X, Rules of Process and Procedure, Standards of Accreditation, the reasons for the Probation Order is made public and provided to the U.S. Department of Education, appropriate State agencies, and appropriate accrediting agencies.

## MAXIMUM TIMEFRAME TO ACHIEVE COMPLIANCE:

According to Section VII (M), Rules of Process and Procedures, Standards of Accreditation, where the Commission has found an area in which the school is out of compliance with accreditation standards or requirements, the period allotted to the school to remedy the noncompliance or cure the deficiency, together with the time for the Commission's final decision, will not exceed the lesser of 150% of the length of the longest program offered at the school or three years unless there is good cause to extend the period for achieving compliance. Therefore, based on the school's longest program of 48 months, the maximum timeframe allowed for NCC to achieve and demonstrate compliance with the Standards of Accreditation begins as of the date of the September 6, 2022 Probation Order and will not extend beyond September 7, 2025 (to include sufficient time for the Commission's review of the school's compliance in advance of the maximum timeframe date). Please also be advised that the Commission is not required to allow the maximum time frame for the school to remedy noncompliance, and given the severity of the findings included herein, the Commission may establish a shorter timeframe as deemed appropriate, including taking an immediate adverse action at its next meeting for failure to demonstrate compliance with accrediting standards.

### **NOTIFICATION TO STUDENTS:**

The school must **within seven days** inform current and prospective students in writing that the school has been continued on Probation, provide a summary of the reasons for the Probation, and indicate where that action can be obtained from the Commission's website. (Section VII (L)(7) Rules of Process and Procedure, Standards of Accreditation).

### **RESPONSE REQUIREMENTS:**

As the school is currently in the Renewal of Accreditation process, the Commission directs NCC to provide the COSE team with documentation to demonstrate compliance in the areas delineated above. The school may also provide the COSE team with any other information the school believes will be useful to demonstrate the school's compliance with ACCSC requirements in this area. The On-Site Evaluation Report (COSE) that summarizes the findings of the team will provide details regarding the Commission's review of the school and the additional information requested for a response. The school must respond to each Team Finding, if applicable, and submit all Additional Information required as stated in the report. The Commission reminds NCC to not include 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.) on any applications, reports, forms or in any response to the Commission.

For assistance with the password or for any other questions regarding the electronic submission requirements, please contact. Please no	
that any password requests to access College 360 must be made by the school director, or designate member of the school's management team, via e-mail.	ed
For further assistance or additional information, please contact	or
Sincerely.	
Michale S. McComis, Ed.D.	
Executive Director	