



Accrediting Commission of Career Schools and Colleges

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December 7, 2017

ELECTRONIC DELIVERY

[REDACTED]
The International Culinary Center
462 Broadway
New York, New York 10013

School #M001493
Continued Probation Order

Dear [REDACTED]

At the November 2017 meeting, the Accrediting Commission of Career Schools and Colleges (“ACCSC” or “the Commission”) considered its previous decision to place the ACCSC-accredited schools owned by International Culinary Center LLC and Affiliates (“ICC”) on Probation. In addition, the Commission also considered an Outcomes Report for The International Culinary Center (“ICC”) located in New York, New York. Upon review of the Commission’s July 10, 2017 Probation Order and the school’s response, the Commission voted to continue ICC on Probation with a subsequent review scheduled for ACCSC’s **May 2018** meeting. The reasons for the Commission’s decision and the Commission’s requirements for the schools to demonstrate compliance are set forth below.

FINANCIAL SOUNDNESS

History of the Commission’s Review:

November 2015 Review

At the November 2015 meeting, the Commission considered the audited consolidated financial statements for fiscal years ended December 31, 2014 and 2013 submitted by ICC. Upon review of the financial statements, the Commission voted to place ICC on System-wide Financial Reporting. [REDACTED]

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

May 2016 Review

At the May 2016 meeting, the Commission considered its previous decision to place ICC on System-wide Financial Reporting. Upon review of the Commission’s January 12, 2016 Financial Reporting letter and the school’s response, the Commission voted to continue ICC on System-wide Financial Reporting. [REDACTED]

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

- [REDACTED]
- [REDACTED].

August 2016 Review and Action

At the August 2016 meeting, the Commission considered its previous decision to continue ICC on System-wide Financial Reporting. Upon review of the Commission’s June 17, 2016 Continued System-wide Financial Reporting letter and the schools’ response, the Commission voted to place ICC on Warning. [REDACTED]

[REDACTED]

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

[REDACTED]

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

May 2017 Review and Action

At the May 2017 meeting, the Commission considered its previous decision to place ICC on System-wide Warning. Upon review of the Commission’s September 7, 2016 System-wide Warning letter and the schools’ response, the Commission voted to place ICC on Probation. [REDACTED]

[REDACTED]

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

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

November 2017 Review and Action

The Commission has determined that ICC has failed to demonstrate that ICC’s financial structure is sound with resources sufficient for the proper operation of the schools and discharge of obligations to its students (*Section I (C)(1), Substantive Standards, Standards of Accreditation*). A review of ICC’s internally prepared financial statements and budget-to-actual analysis for the six-months covering the period of January 1, 2017 to June 30, 2017 found the following:

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

[REDACTED]

[REDACTED]

[REDACTED]

Based on the review of the financial information provided, the Commission remains concerned regarding ICC’s ability to operate the schools in compliance with accreditation requirements for financial soundness.

[REDACTED]

Based on the foregoing, the Commission directs ICC to submit the following:

- a. Audited financial statements for the fiscal year ending December 31, 2017 prepared and submitted in accordance with requirements set forth in ACCSC’s [Instructions for the Preparation and Submission of Financial Statements and Related Information](#);
- b. An updated MD&A narrative examining and explaining the schools’ current financial condition and ability to project future financial soundness to include a plan to increase the composite score and return to profitability; implemented actions with results; and the anticipated inflow of cash and debit associated with the implemented actions of the plan;
- c. ICC’s fiscal year 2017 budget with a budget-to-actual analysis as of December 31, 2017;
- d. ICC fiscal year 2018 budget with a budget-to-actual analysis as of March 31, 2018; and
- e. Any other information or documentation that ICC believes will assist the Commission in its review of the school’s financial position.

OUTCOMES REPORTING

ICC must demonstrate successful student achievement acceptable rates of graduate employment in the career field for which the school provides education (*Section VII (B)(1)(b), Substantive Standards, Standards of Accreditation*). In the Outcomes Report, using an August 2017 Report Date on the Graduation and Employment Charts, ICC reported the following employment rates for the Intensive Sommelier Training and the Italian Culinary Experience diploma programs. In addition, the Commission reviewed the following history of employment rates reported by ICC:

Program	Length in Months	ICC-NY Employment Rate (2/15 Report Date)	ICC-NY Employment Rate (7/16 Report Date)	ICC-NY Employment Rate (3/17 Report Date)	ICC-NY Employment Rate (8/17 Report Date)	ACCSC Benchmark Employment Rate
Intensive Sommelier Training	4	57%	59%	68%*	78%	68% / 70%
Italian Culinary Experience	2	N/A	36%	22%	43%	

* Per the July 1, 2016 Accreditation Alert, the Commission will not subject programs that report a graduate employment rate of 68%-69% to Reporting during the one-year grace period.

With regard to the 2-month Italian Culinary Experience, the Commission found that ICC reported a 43% employment rate that remains below ACCSC’s student achievement benchmark rate. ICC stated that most of the program’s graduates “elect to participate in the option to move on to complete an extension consisting of 705 hours taught in Italy (this includes 385 hours taught at ALMA, the International School of Italian Cuisine located in Parma, and a 320 hour externship monitored and evaluated by ALMA). Based on the description provided by ICC and given the documented history of considerably low graduate employment rates, the Commission is not convinced that the 2-month Italian Culinary Experience program is vocational in nature.

While the Commission recognized ICC’s challenges with the 2-month Italian Culinary Experience program, the Commission determined that the school will have one final opportunity to demonstrate that the program is vocational and therefore fits within the scope of the Commission’s accreditation of ICC. In addition, the school must report acceptable student achievement rates in the program.

Based on the foregoing, the Commission directs ICC to submit the following:

- a. A detailed explanation of the educational objective of the 2-month Italian Culinary Experience program and how this program can be considered vocational in nature and thus within the scope of ACCSC’s institutional accreditation;
- b. A Graduation and Employment Chart for the Italian Culinary Experience programs using a **March 2018 Report Date**.
- c. Summary information for the 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 Name	Program	Start Date	Graduation Date	Withdrawal/Termination Date

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

Student Name	Program	Start Date	Reason Unavailable

- iii. Supporting and verifiable documentation for each student in (ii.) above to include minimally, external documentation such as military orders, letter from physician/doctor, death notice/obituary, public record of incarceration.

iv. For each graduate classified as employed in the field¹ (line #14), provide the following information:

Graduate Name	Program	Start Date	Employer Name, Address, & Ph. #	Employer Point of Contact	Date of Initial Employment	Descriptive Job Title and Responsibilities	Source of Verification ² (i.e., graduate or employer)

v. Supporting and verifiable documentation or a narrative justification for each graduate in (iv.) above whose descriptive job title or place of employment does not appear directly related to the graduate’s program of study.

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

Graduate Name	Program	Start Date	Description of the Documentation on File

vii. Supporting and verifiable documentation for each graduate in (vi.) above to include a signed statement from the graduate acknowledging that the self-employment is aligned with the individual’s employment goals, is vocational, is based on the education and training received, and that the graduate is earning training related income along with some form of verifiable documentation to demonstrate that the self-employment is valid.

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

Graduate Name	Program	Start Date	Classification on the G&E Chart	Reason

ix. Supporting and verifiable documentation for any student classified as “Unavailable for Graduation” (line #6), “Graduates-Further Education” (line #11), “Graduates-Unavailable for Employment” (line #12), or “Non-Graduated Students Who Obtained Training Related Employment” (line #19). This should include, minimally, external documentation such as transcripts/enrollment agreements for “Graduates-Further Education” and military orders, letter from physician/doctor, death notice/obituary, public record of incarceration, etc. for “Graduates-Unavailable for Employment.”

d. Any additional information, to include contemporaneous retention, graduation, or employment data, 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.

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

¹ See Appendix VIII – Guidelines for Employment Classification, Standards of Accreditation.

² Appendix VIII (4)(a) Guidelines for Employment Classification requires the school to verify the employment classification.

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*, the Commission, at the same time it notifies the school, will provide notice and the reasons why a school is placed on Probation to the public, U.S. Department of Education, the appropriate state licensing agency, and other 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)(8), 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. Please provide evidence that the school has provided notice of this Probation action to current and prospective students in accordance with the Commission's requirements.

MAXIMUM TIMEFRAME TO ACHIEVE COMPLIANCE:

Based on *Section VII (M), Rules of Process and Procedures, Standards of Accreditation* and the school's longest program of nine months, the maximum timeframe allowed for ICC to achieve and demonstrate compliance with the *Standards of Accreditation* is twelve months. Thus, the timeframe to achieve compliance began as of July 10, 2017 and ends on **July 10, 2018**. 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.

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.

ICC 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.³ 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.

ICC 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](#).

³ 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.

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.

As stated in the [July 1, 2016 Accreditation Alert](#), at the Commission's discretion ACCSC assesses a \$1,000 processing fee when a school is placed on Probation. Given ACCSC's concerns regarding ICC's financial soundness, the Commission has decided to reduce the fee to \$500.⁴

The school's response must include a signed certification attesting to the accuracy of the information and be received in the Commission's office **on or before April 6, 2018**. If a response, the required fee, and the certificate of attesting to the accuracy of the information is not received in the Commission's office **on or before April 6, 2018**, 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]
[REDACTED]

Sincerely,



Michale S. McComis, Ed.D.
Executive Director

c: [REDACTED]
[REDACTED]

⁴ ICC will receive an invoice for \$500.00 separately.