

**Spann, Brendon**

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**From:** AltEarningsAppeals  
**Sent:** Thursday, January 12, 2017 12:02 PM  
**To:** Jamie Snyder; AltEarningsAppeals  
**Cc:** Dale LeMonds; Campus Directors  
**Subject:** RE: Notice of Intent to File Alternate Earnings Appeal

Hello Jamie Snyder,  
Ok, thank you for the quick follow up. We have logged your Notice of Intent.

Alternate Earnings Appeals  
Gainful Employment Operations  
Operations Performance Management Services  
Business Operations

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**From:** Jamie Snyder [<mailto:jdsnyder@avedadenver.com>]  
**Sent:** Wednesday, January 11, 2017 4:33 PM  
**To:** AltEarningsAppeals  
**Cc:** Dale LeMonds; Campus Directors  
**Subject:** RE: Notice of Intent to File Alternate Earnings Appeal

Hello,

There are no special circumstances, I wanted to make sure all of the necessary information was included in my email. The second email included the name of the school whereas the first did not. We are only wanting to file an appeal for one program at Aveda Institute Denver. Please let me know if you need additional information.

Thank you,

*Jamie Snyder*

Financial Aid Team Lead  
AVEDA Institute Denver  
P: 303.567.7500 x1023  
F: 303.951.6409

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**From:** AltEarningsAppeals [<mailto:AltEarningsAppeals@ed.gov>]  
**Sent:** Wednesday, January 11, 2017 2:01 PM  
**To:** Jamie Snyder <[jdsnyder@avedadenver.com](mailto:jdsnyder@avedadenver.com)>; AltEarningsAppeals <[AltEarningsAppeals@ed.gov](mailto:AltEarningsAppeals@ed.gov)>  
**Cc:** Dale LeMonds <[dlemonds@avedadenver.com](mailto:dlemonds@avedadenver.com)>; Campus Directors <[campusdirectors@avedadenver.com](mailto:campusdirectors@avedadenver.com)>  
**Subject:** RE: Notice of Intent to File Alternate Earnings Appeal

Hello Jamie Snyder,

This inbox received two e-mails from you stating a Notice of Intent to File an Alternate Earnings Appeal for this program at this particular school within three minutes of each other. Was this done intentionally? If you intentionally sent two e-mails in a matter of minutes for the same program, please let us know if there are any special circumstances that you'd like to make us aware of.

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Gainful Employment Operations  
Operations Performance Management Services  
Business Operations

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**From:** Jamie Snyder [mailto:[jdsnyder@avedadenver.com](mailto:jdsnyder@avedadenver.com)]  
**Sent:** Monday, January 09, 2017 11:34 AM  
**To:** AltEarningsAppeals  
**Cc:** Dale LeMonds; Campus Directors  
**Subject:** Notice of Intent to File Alternate Earnings Appeal  
**Importance:** High

OPEID: **041671 Aveda Institute Denver**  
CIP for appealed program: **120401**  
Credential Level: **Undergraduate Certificate**

*Jamie Snyder*

Financial Aid Team Lead  
**AVEDA Institute Denver**  
P: 303.567.7500 x1023  
F: 303.951.6409

## Spann, Brendon

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**From:** AltEarningsAppeals  
**Sent:** Tuesday, July 18, 2017 3:46 PM  
**To:** Justine Alonzo; AltEarningsAppeals  
**Subject:** RE: Alternate Earnings Appeal for Aveda Institute Denver 04167-00 (Receipt Confirmed: 041671)

This message confirms that your Gainful Employment alternate earnings appeal package email was received on June 30, 2017. The contents have not yet been reviewed for completeness or content, but your message and at least one attachment were successfully transmitted.

Thank you,

Alternate Earnings Appeals  
Gainful Employment Operations

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**From:** Justine Alonzo [<mailto:jalonzo@avedadenver.com>]  
**Sent:** Friday, June 30, 2017 2:50 PM  
**To:** AltEarningsAppeals  
**Subject:** Alternate Earnings Appeal for Aveda Institute Denver 04167-00  
**Importance:** High

- Aveda Institute Denver

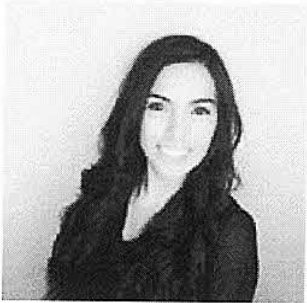
OPE ID: 04167-00

Appeal Package contains:

Recalculated D/E rates including response rate, mean and median and non response bias analysis - See Attachment A

- A signed certification from their President/CEO attesting that
  - a. the survey was conducted in accordance with the Standards and
  - b. that the mean or median earnings used to recalculate the GE program's D/E rate were accurately determined from the survey results.
- See Attachment B
- An examinationlevel attestation engagement report from an independent accountant certifying that the survey was conducted in accordance with the Standards.
- See Attachment C

**Justine Alonzo**  
Financial Aid Team Lead  
Aveda Institute Denver  
303-567-7500 x 1024  
[jalonzo@avedadenver.com](mailto:jalonzo@avedadenver.com)



**“Challenges are what makes life interesting and overcoming them is what makes life meaningful” ~  
Joshua J. Marine**

## Spann, Brendon

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**From:** AltEarningsAppeals  
**Sent:** Monday, July 09, 2018 10:56 AM  
**To:** Justine Alonzo  
**Cc:** AltEarningsAppeals  
**Subject:** Alternate Earnings Appeal OPEID 041671

**Importance:** High

Dear President/CEO,

The purpose of this communication is to inform you of the results of your Debt-to-Earnings (D/E) rate alternate earnings appeal for your institution's gainful employment program(s) under the Code of Federal Regulations 34 CFR 668.406.

For the following program(s), your institution submitted its Notice of Intent to Appeal and completed appeals package by the deadlines. The Department has reviewed your appeals package and determined that the appeal should not be granted. If any of these programs have failing D/E rates, your institution must comply with the program warning requirements in 34 CFR 668.410(a), including revising the program's Gainful Employment Disclosure Template to the version containing warning language, as soon as possible but no later than 30 days from the date on this letter. The following programs have denied appeals:

### 120401-01

The Department is still reviewing appeals. If you have submitted alternate earnings appeals for any additional programs, those appeals packages are still under consideration by the Department and you will be notified when a determination has been made

Katrina Turner  
Service Director  
Operations Performance Management Services  
Business Operations

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**From:** Justine Alonzo [<mailto:jalonzo@avedadenver.com>]  
**Sent:** Friday, June 30, 2017 2:50 PM  
**To:** AltEarningsAppeals  
**Subject:** Alternate Earnings Appeal for Aveda Institute Denver 04167-00  
**Importance:** High

- Aveda Institute Denver

OPE ID: 04167-00

Appeal Package contains:

Recalculated D/E rates including response rate, mean and median and non response bias analysis - See Attachment A

- A signed certification from their President/CEO attesting that
  - a. the survey was conducted in accordance with the Standards and
  - b. that the mean or median earnings used to recalculate the GE program's D/E rate were accurately determined from the survey results.
- See Attachment B
- An examinationlevel attestation engagement report from an independent accountant certifying that the survey was conducted in accordance with the Standards.
- See Attachment C

**Justine Alonzo**  
Financial Aid Team Lead  
Aveda Institute Denver  
303-567-7500 x 1024  
[jalonzo@avedadenver.com](mailto:jalonzo@avedadenver.com)



**“Challenges are what makes life interesting and overcoming them is what makes life meaningful” ~  
Joshua J. Marine**

**Spann, Brendon**

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**From:** Professional Cosmetology Education Center <robert@pcec.edu>  
**Sent:** Monday, February 06, 2017 10:18 AM  
**To:** AltEarningsAppeals  
**Subject:** RE: Resending: Notice of Intent to File Alternate Earnings Appeal

Hi,

Thank you for your reply. Can you confirm that we may appeal?

On Feb 6, 2017 9:55 AM, "AltEarningsAppeals" <[AltEarningsAppeals@ed.gov](mailto:AltEarningsAppeals@ed.gov)> wrote:

Hello Robert Kelley,

You may verify the status of your appeal by reviewing the official Debt to Earnings data spreadsheet at the [FSA Data Center](#).

Alternate Earnings Appeals

Gainful Employment Operations

Operations Performance Management Services

Business Operations

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**From:** Professional Cosmetology Education Center [mailto:[robert@pcec.edu](mailto:robert@pcec.edu)]  
**Sent:** Wednesday, February 01, 2017 10:40 PM  
**To:** AltEarningsAppeals  
**Subject:** Resending: Notice of Intent to File Alternate Earnings Appeal

**To Whom it may Concern:**

**We have not received acknowledgement that you have received our intent to appeal and are very concerned.**

**Professional Cosmetology Education Center  
OPE-ID 02202400**

**CIP 12.0401**

**We intend to appeal the earnings for the above CIP code and Institution.**

Very truly yours,

*Robert Kelley*

1357 N. Milwaukee Ave. | Chicago, IL 60622 USA  
Tel 773.351.8999 | Fax 773.645.0079 |  
robert@pcec.edu

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**Spann, Brendon**

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**From:** Professional Cosmetology Education Center <robert@pcec.edu>  
**Sent:** Monday, February 06, 2017 10:18 AM  
**To:** AltEarningsAppeals  
**Subject:** RE: Resending: Notice of Intent to File Alternate Earnings Appeal

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On Feb 6, 2017 9:55 AM, "AltEarningsAppeals" <[AltEarningsAppeals@ed.gov](mailto:AltEarningsAppeals@ed.gov)> wrote:

Hello Robert Kelley,

You may verify the status of your appeal by reviewing the official Debt to Earnings data spreadsheet at the [FSA Data Center](#).

Alternate Earnings Appeals

Gainful Employment Operations

Operations Performance Management Services

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**From:** Professional Cosmetology Education Center [mailto:[robert@pcec.edu](mailto:robert@pcec.edu)]  
**Sent:** Wednesday, February 01, 2017 10:40 PM  
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1357 N. Milwaukee Ave. | Chicago, IL 60622 USA  
Tel [773.351.8999](tel:773.351.8999) | Fax [773.645.0079](tel:773.645.0079) |  
[robert@pcec.edu](mailto:robert@pcec.edu)

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## Spann, Brendon

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**From:** AltEarningsAppeals  
**Sent:** Thursday, February 23, 2017 11:39 AM  
**To:** Professional Cosmetology Education Center; AltEarningsAppeals  
**Subject:** RE: Resending: Notice of Intent to File Alternate Earnings Appeal

Dear Professional Cosmetology Education Center,

On January 6, 2017, the Department issued "Gainful Employment Announcement Number 101". This Electronic Announcement indicated that the date for filing a notice of Appeal was, "on or before Monday, January 23, 2017."

Unfortunately, your Institution's submission was **after** the indicated appeals deadline.

The guidance from 34 Code of Federal Regulation 668.406 (e) (1) (i) instruct:

"...in accordance with procedures established by the Secretary (Institutions must).... Notify the Secretary of its intent to submit an appeal no earlier than the date that the Secretary provides the institution the draft D/E rates under § 668.405(e)(3), but no later than 14 days after the date the Secretary issues the notice of determination under § 668.409(a) informing the institution of the final D/E rates under § 668.405(g);

Therefore, your Institution's request for an **appeal will not be considered** for the 2015 Debt to Earnings Rate Cycle. It is important that your Institution continue to report information timely, accurately and in accordance with 34 CFR 668 for future cycles.

Please ensure that your Institution has subscribed to IFAP notices to receive future updates of the Gainful Employment process.

If you have any additional questions or issues, please reach out to the Gainful Operations Team at [GE.Operations@ed.gov](mailto:GE.Operations@ed.gov) .

Thank you,

Alternate Earnings Appeals  
Gainful Employment Operations  
Business Operations

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**From:** Professional Cosmetology Education Center [<mailto:robert@pcec.edu>]  
**Sent:** Wednesday, February 01, 2017 10:40 PM  
**To:** AltEarningsAppeals  
**Subject:** Resending: Notice of Intent to File Alternate Earnings Appeal

**To Whom it may Concern:**

**We have not received acknowledgement that you have received our intent to appeal and are very concerned.**

**Professional Cosmetology Education Center  
OPE-ID 02202400  
CIP 12.0401**

**We intend to appeal the earnings for the above CIP code and Institution.**

Very truly yours,

*Robert Kelley*

1357 N. Milwaukee Ave. | Chicago, IL 60622 USA  
Tel [773.351.8999](tel:773.351.8999) | Fax [773.645.0079](tel:773.645.0079) |  
[robert@pcec.edu](mailto:robert@pcec.edu)

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## Spann, Brendon

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**From:** Professional Cosmetology Education Center <robert@pcec.edu>  
**Sent:** Thursday, August 17, 2017 5:43 PM  
**To:** AltEarningsAppeals  
**Cc:** leighanne@pcec.edu; Jill Hanry; ben@lsacpafirm.com  
**Subject:** Notice of Intent to File Alternate Earnings Appeal

To Whom It May Concern,

Professional Cosmetology Education Center OPE ID number 02202400, is giving the Department of Education a Notice of Intent to File Alternate Earning Appeal for the program CIP Code, 120401. The CIP code program name, Cosmetology/Cosmetologist General, is in the zone or failed.

Professional Cosmetology Education Center OPE ID number 02202400 offers 120401 which is an Undergraduate Certificate or Diploma Program credential level.

Thank you.

Very truly yours,

*Robert Kelley*

*President*

*Professional Cosmetology Education Center*

*460 n. Washington Ave. El Dorado, AR 71730*

Kelley Education Inc.

1357 N. Milwaukee Ave. | Chicago, IL 60622 USA  
Tel [773.351.8999](tel:773.351.8999) | Fax [773.645.0079](tel:773.645.0079) |  
[robert@pcec.edu](mailto:robert@pcec.edu)

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## Spann, Brendon

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**From:** Professional Cosmetology Education Center <robert@pcec.edu>  
**Sent:** Thursday, February 01, 2018 11:13 AM  
**To:** AltEarningsAppeals  
**Cc:** Jill Hanry; leighanne@pcec.edu  
**Subject:** Alternate Earnings Appeal  
**Attachments:** Final-Appeal-013118.pdf; Final-Appeal-013118.pdf; Final-Appeal-013118.pdf

**Categories:** Orange Category

Please find 3 attachments of our appeal for school:

OPE ID 02202400  
Professional Cosmetology Education Center  
460 N. Washington Ave.  
El Dorado, AR 71730

Very truly yours,

*Robert Kelley*

1357 N. Milwaukee Ave. | Chicago, IL 60622 USA  
Tel 773.351.8999 | Fax 773.645.0079 |  
[robert@pcec.edu](mailto:robert@pcec.edu)

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# GE Appeal

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*Professional Cosmetology Education Center  
460 N. Washington Ave.  
El Dorado, AR 71730*

To: WHOM IT MAY CONCERN  
From: Robert Kelley, President  
Date: 01/31/2018  
Re: GE APPEAL (3 Copies)

We operate a small, very clean, compliance-driven school in rural AR. There, many students are very poor & participate in public assistance programs. We believe this contributed to our lackluster results.

During the first appeal period, we reached out to determine if an appeal could be processed. Our informal sample study showed that graduates, while working in the field, had little interest in reporting income. Therefore, we made no attempt to file an appeal during the first opportunity.

The second appeal afforded us more time to reach out to graduates. With great expense, a minimum of \$4,000 was spent, in hiring consultants, leasing a remote server, we attempted to garner responses.

We have had serious difficulty in attracting any responses. We had 2. Of the 2, one told us she under-reported her income because she was afraid of her information being used; although we followed the compliance measures to assure her that the information would be kept confidential. Eventually, she offered to re-do her response within RGEES. However, the system would not allow her to modify her response.

There are many who are attracted to the professional beauty space for the flexible nature of the work to provide a supplemental to family income. Adding to our difficulty is that many people in the professional beauty sector do not report cash or tip income. While we discourage not reporting, we have no control. Included, please find:

1. Signed Certification
2. The 8 Survey Standards & our compliance measures
3. Our Data Security Plan
4. CPA Attestation
5. Reports Generated from RGEES
  - a. Response Rate Disposition
  - b. Case Disposition Report
  - c. Mean & Median Earnings Report
  - d. Individual Earnings Report
  - e. Non-Response Bias Report

Thank you for your consideration. We consider it a great honor to provide potential employment through our school & firmly believe that we help students achieve their dreams.

31 January 2018

US Department of Education

To Whom It May Concern;

Professional Cosmetology Education Center has conducted a survey of the employment and earnings of recent graduations as part of its appeal of its most recently published gainful employment rates.

The Institution certifies that the survey was conducted in accordance with the Standards for Conducting the Recent Graduates Employment and Earnings Survey contained in the Best Practices Guide issued in November 2015.

In addition, the Institution certifies that the mean or median earnings used to recalculate the debt-to-earnings ratios were accurately determined from the survey results.

Sincerely,

(b)(6)

Robert Kelley  
President



# STANDARDS FOR CONDUCTING THE RECENT GRADUATES EMPLOYMENT AND EARNINGS SURVEY

Kelley Education Inc.  
Professional Cosmetology Education Center  
460 N. Washington Ave.  
El Dorado, AR 71730

## PLANNING DATA COLLECTION

### Standard 1

The survey design components required to conduct the Recent Graduates Employment and Earnings Survey include a plan that addresses the objectives of the survey, the survey design, the data collection plan, the confidentiality pledge, a data security plan, and the human and fiscal resources and time needed to achieve high data quality. To meet this standard, the survey design plan must include the following:

- A detailed discussion of the goals and objectives of the survey or survey system, including the information needs that will be met, content areas included, the list of program completers to be surveyed, and analytic goals.

*Professional Cosmetology Education Center will use the RGEES system to process data. Professional Cosmetology Education Center will utilize the Recent Graduates Employment and Earning Survey located within the Best Practices Guide.*

- A listing of all survey data items. It is preferred that only RGEES items appear in the survey used to collect data for the Gainful Employment Regulations earnings appeal process.
- If the survey provided by ED is administered in conjunction with another survey of program completers, the RGEES questions must be used intact. That is, no alteration of the wording of the survey questions is permitted, and the order of individual items must be preserved. Any additional items must be separate and not applicable to the Gainful Employment issue. These additional items can be added only at the end of the survey to avoid affecting the responses to the questions provided in the Recent Graduates Employment and Earnings Survey.

*Only data from the RGEES questions may be used in an appeal. This is met through the use of the Recent Graduates Employment and Earning Survey provided within the best practices guide.*

The anticipated data collection procedures must include the elements that follow.

- Timing of data collection:

*Prior to initiating data collection staff involved will be trained regarding policies and procedures that might impact the process including, but not limited to, FERPA, REGES and anticipated respondent questions. Our plan will include an adequate number of contact attempts with timing intended to maximize participation (e.g., more contact attempts spaced across days and times of the day offer greater potential for reaching respondents).*

*If we have trouble gaining participation (hard to persuade), we will be sure to emphasize how short the survey is—a small time commitment is attractive to graduates—and the fact that the survey comes at no cost to them. We will assure the graduate that his or her privacy will be protected, and the data will only be reported to the Department of Education as group averages.*

*Please see the table in 1.3.3 for further details regarding the timing of data collection.*

- Primary mode of collection: e-mail, mail survey, telephone, or in-person interview.

*Professional Cosmetology Education Center will primarily utilize in-person, web and telephone interviews as its mode of collection. Please refer to section 1.3.3a. and 1.3.3b for further details.*

- Data collection protocol to be used by data collection staff;

*After receiving training regarding policies and procedures impacting the implementation of the survey and appeal staff will be given a listing of relevant completers and begin utilizing existing resources (student database system, files and other means) to contact potential respondents via phone, text or other appropriate avenue and inform them of the survey process, any incentives being offered and invite them to schedule a time to conduct an a) in-person interview or, for completers who are unable or unwilling to come to the campus, or b) an over the phone interview or c) a web based interview. For respondents utilizing the over the phone interview, if possible the staff member will attempt to conduct the survey during the initial call.*

- *For respondents completing an in-person interview the trained designated school official will administer the survey and at least one trained witness will be present. The information will be recorded verbatim per the response provided by the student completer. Upon completion of the survey the respondent will be offered the opportunity to sign the survey if they so choose and be provided with any incentive offered to participate. Once administered both the administrator and trained witness will sign the survey indicating it is complete and the person providing responses is the individual being credited with the survey results. The administrator will ensure that appropriate identifiers are on the survey and store completed surveys in a locked file container within a locked room. Data, electronic or otherwise, will be stored in compliance with all applicable rules and regulations.*
- *For respondents completing an over the phone interview the trained designated school official will administer the survey and at least one trained witness will be present. The information will be recorded verbatim per the response provided by the student completer. Once administered, the trained witness will then speak directly to the respondent and verify the individual on the phone is the individual being credited with the survey results and both the administrator and trained witness will sign the survey*

indicating it is complete. The administrator will then cause to be mailed any incentive offered to participate. The administrator will ensure that appropriate identifiers are on the survey and store completed surveys in a locked file container within a locked room. Data, electronic or otherwise, will be stored in compliance with all applicable rules and regulations.

- For respondents completing the survey via the web, Professional Cosmetology Education Center will utilize the RGEES platform. Professional Cosmetology Education Center will also provide resources for students who wish to complete a web based interview, but do not have access to the necessary equipment or need assistance completing a web-based response.

<u>Target Date</u>	<u>Activity</u>
<p>One week before starting data collection</p> <p><b>Date:</b> 10/23/2017</p>	<p>Planning and development of full survey cycle and announcement of survey. Work with key staff to make process determinations, identify additional human resource needs, identify information technology requirements (hardware and software), identify and work with auditor to develop necessary protocols and procedures, document such protocols and procedures, submit to auditor for approval and prepare for implementation of approved protocols and procedures. Prepare necessary documents (training materials and attestations, Survey, etc.) Train parties involved in the appeal process. Print, post and/or email publicity materials. Post the announcements survey flyers throughout the school and/or on the school web site. Promote survey and the data collection period. Also provide information on incentive program to complete the survey by the due date listed.</p>
<p>A few days before starting data collection</p> <p><b>Date:</b> 11/30/2017</p>	<p>Data Collection, File Construction &amp; Survey Documentation. Contact completers via email or other appropriate means about the survey. Send the invitation to graduates covering the time period the survey covers ( 2010-2012.) Share the survey message with staff and current students including the incentive for completing the survey.</p> <p>Completed or attempted paper surveys constitute the paper file. Paper files will be stored in locked file containers in locked rooms. Paper files will be handles and processed in accordance with PII requirements.</p>
<p>Week 1 (Start of Survey Data Collection)</p> <p><b>Date:</b> 12/04/2017</p>	<p>Data Collection Contd. Email the survey invitation (or announce the start of data collection). If the survey is hosted on the Web, include a hyperlink (URL) and password in the Email invitation. Provide a phone number that can be used to completed the survey over the phone, Mail survey to each graduates directly requesting that they complete the survey with option for them to complete the survey either by mail, by phone, by web or by coming into the school for a personal interview.</p>
<p>Week 2</p>	<p>Data Collection Contd. Contact completers via email or other appropriate means providing your prepared reminder notices to graduates being surveyed. Start making</p>

<b>Date:</b> 12/11/2017	phone calls or texting directly to the graduates being surveyed reminding them of the incentive for completing the survey
Week 3 <b>Date:</b> 12/18/2017	Distribute second reminder notice. Contact completers via email or other appropriate means providing your second reminder notice to graduates removing any graduates who have already responded.
Week 4 <b>Closeout Date:</b> <b>Extended to</b> 01/31/18	Processing and data editing, File Construction & Survey Documentation Adhering to the data security plan calculate preliminary response rate. If the rate is high enough, close out data collection at the end of Week 3.  To increase your response rate, extend data collection by a few days or a week. If your response rate is lower than 50 percent Email, text, or phone the third reminders to graduates eliminating those who have already responded to the survey. Continue performing these steps as needed until you satisfy the requirements of the appeal.  Data entered into the RGEES system constitute the electronic file. The electronic file will be stored at the data center in compliance with the data security plan and all applicable rules and regulations.
New Closeout <b>Date:</b> 01/31/18	Completion and review of the reporting template and any additional internal reports. Upon satisfying the appeal requirements close out extended data collection. Inform the auditor that the process is completed and available for review. Work with the auditor to achieve submission of the appeal.

- Training of survey collection staff and persons coding and editing the data;

*The staff will be trained in how to contract and address any question that a graduated might have about the survey. The training will include how to answer the phone, explain that the purpose of the survey and the confidentiality of the survey information.*

*The staff will also be receiving training in the RGEES system and the security requirement needed to protect the data. The training techniques used will be a rapport-building techniques include respect for respondents' rights, follow-up skills, knowledge of the goals and objectives of the data collection, and knowledge of the uses of the collected data. The goals of the survey, method of data collection, and time commitment should be clearly stated by interviewers interacting with graduates. The staff will also be trained on how to conduct both over the telephone and in person interviews.*

- Anticipated response rate for the data collection (see Standard 5.1);

*The Survey will use the RGEES built in calculation to determine the response rate need for the survey.*

- Methods used to achieve acceptable response rates (see Standard 2).

*Please refer to standard 2 for information concerning the methods used to achieve acceptable response rates.*

1.4: A nondisclosure pledge (see Standard 3.1).

*The RGEES system will be used to meet the nondisclosure pledge.*

1.5: A security plans for preserving the confidentiality of the data during collection, processing, and analysis

*A security plan will be completed and approved by the auditor before the survey begins. The plan will be submitted to the auditor 7 days before the start of the survey to be preapproved. Please see standard 3.2 for further details.*

1.6: If data may be used now or in the future for any purpose beyond the appeal, provide a disclosure analysis plan that describes how disclosure risk will be controlled (see Standard 3.3 for details).

*The data will not be used in the future for any other purpose.*

1.7: Outline the quality assurance plan for each phase of the survey process that will permit monitoring and assessing the performance during implementation.

*Step One: Pick and Limit the individuals who will be involved in the computer system and who will handle the mailing, the phone survey, in-person interviews and the entering and storage of the data into the RGEES survey system.*

*Step Two: Train each party responsible for implementation and completion of the appeals process including, but not limited to those conducting the survey, witnessing the survey, storing data (electronic or otherwise) etc.*

*Step Three: Create credentials for each individual who will be working on the RGEES system.*

*Step Four: Set up a schedule to monitor the RGEES system to make sure it is secure.*

*Step Five: When conducting the surveys responsible parties will adhere to the prescribed method. Please see section 1.3 for further details.*

*Step Six: Monitor the number of surveys completed on a weekly basis and once the number of surveys completed reaches 50% of the total of completers run the RGEES Nonresponse Bias analysis. If the nonresponse bias is less than 10% stop survey if the nonresponse bias is greater than 10% continue surveying until you reach 10% or less nonresponse bias or until you have an 80 % response. (Before you stop even if you met the 10% nonresponse bias if you need a greater response that might help your income reported you can continue the survey).*

1.8: Outline the general parameters for monitoring nonresponse and evaluating survey procedures and results (see Standards 5 and 6 for details).

*Professional Cosmetology Education Center will utilize the RGEES system. Please see standards 5 and 6 for details.*

1.9: Identify and monitor key milestones of the survey and the time relationships among them.

*Week 1 Setting up of the RGEES system and identifying individual conducting the survey and send the appeal notice into the Department of Education.*

*Week 2 Getting the approval of the plan by auditor who will review the results*

*Week 3 Load the data from NSLDS and Notice through email, direct mail, text messaging and phone call the graduates who will be surveyed*

*Week 4 Begin skip tracing any graduates who you were not able to contact.*

*Week 5 and 6 Continue to survey graduates until your reach the 50% and 10% nonresponse bias.*

*Week 7 conclude the survey and prepare for the auditor's review.*

*Week 8 The auditor performs the review and prepares the appeal for submissions.*

*59<sup>th</sup> day the appeal is sent in .*

1.10: An estimate of the target time period needed for the full survey cycle, including the estimated times for the items that follow.

*The estimated time line from the planning of the survey to completion and review of the data should be more is 55 days.*

1. Planning and development; Please see the table in section 1.3.3
2. Data collection; Please see the table in section 1.3.3
3. \*Processing and data editing; This is handled through the RGEES system; please see the table in section 1.3.3
4. Disclosure avoidance plan and analysis, if data will be used for any purpose other than the aggregated data from the RGEES; Professional Cosmetology Education Center will not use the data for any other purpose.
5. File construction; Please see the table in section 1.3.3
6. Survey documentation; and Please see the table in section 1.3.3
7. \*Completion and review of the reporting template and any additional internal reports. This is handled through the RGEES system and please see the table in section 1.3.3

## **DATA COLLECTION METHODOLOGY**

Standard 2:

Administer data collection instruments and methods in a manner that achieves the best balance between maximizing data quality and controlling measurement error while minimizing respondent burden using best practices established in the field of survey methodology.

2.1: Encourage respondents to participate to maximize response rates and improve data quality. (See the RGEES Best Practices Guide for data collection strategies that can be used to achieve high response rates).

*Professional Cosmetology Education Center will have dedicated resources to implement its plan and assist respondents in the process. Professional Cosmetology Education Center will provide incentive to respondents to complete the survey.*

2.2: Design and administer the data collection to achieve the best data quality possible. Doing so requires the steps that follow.

- Identify the appropriate methods / modes (e.g., e-mail, mail, telephone, Internet) of data collection for recent program completers, the objectives of the data collection, the resources available, and time constraints;

*Professional Cosmetology Education Center will primarily utilize in-person, web and phone interviews to conduct the survey. Please also see the table in section 1.3.3. Professional Cosmetology Education Center will have dedicated resources including private, secure areas to conduct phone, web and in-person interviews, available staff to conduct and witness interviews and perform data entry, toll-free phone lines should they be needed and other ordinary and routine supplies such as paper and writing utensils. The staff and respondents will have the ability to request additional items should they need them. Professional Cosmetology Education Center will be capable of reproducing required materials.*

- When using the RGEES platform, or any other electronic data collection system, establish protocols for computer systems to ensure that Internet data collection functions correctly (see the RGEES Platform User Guide on how to install/use the platform);

*Professional Cosmetology Education Center will utilize the RGEES system and prior to conducting the first survey will have the system up and running. The RGEES system will be maintained within a AICPA SOC II certified service organization data center and in accordance with the Data Security Plan.*

- Use more than one mode of data collection to improve response rates and / or if needed to meet response rate requirements (e.g., follow up non-respondents in a mail or Internet survey with telephone calls). (See Standard 5.2 and the Data Collection section in the RGEES Best Practices Guide for additional guidance on response modes); and

*The school is using the method describe in standard 5.2 and is may deploy multiple methods of surveying to increase the response level to meet the survey required 50% and 10% nonresponse bias requirements*

- Establish the data collection protocol to be followed by the staff involved in the data collection (see the RGEES Best Practices Guide).

*Please refer to section 1.3 for details on the data collection protocol. Also the Data Security Plan provides explanation as to the secure storage of data collected.*

2.3: Monitor data collection activities.

- Use internal reporting systems that provide timely reporting of response rates and the reasons for nonresponse throughout the data collection (e.g., paradata, such as refusals, hard to locate cases). These systems should be flexible enough to identify important subgroups with low response rates for more

intensive follow-ups. The RGEES Platform has a participation rate reporting function that supports this monitoring.

*Professional Cosmetology Education Center will utilize the RGEES system. The survey staff will routinely provide feedback regarding nonresponse to the administrator. If it is determined an issue is present it will be corrected in a timely fashion.*

- Specify procedures to use to identify and correct problems. (See the RGEES Best Practices Guide for details.)

*Professional Cosmetology Education Center will utilize the RGEES system. The survey staff will routinely provide feedback regarding nonresponse and other issues to the administrator. Should an issue be identified it will be corrected in a timely fashion.*

## MAINTAINING CONFIDENTIALITY

Standard 3:

Federal law requires that the confidentiality of data that contain information about individuals (i.e., personally identifiable information or PII) must be protected (20 U.S.C. 1232g). Anyone who will have access to the information must understand the importance of protecting the confidentiality of the survey respondents' information, be cognizant of the requirements of the law, and monitor the confidentiality of PII in their daily activities and in the release of information to the public. Steps must be taken throughout the data collection, processing, and reporting activities to ensure that data are handled in such a way as to avoid disclosure of PII.

### LEGAL REQUIREMENTS:

The Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. 1232g) and any relevant state confidentiality or privacy laws apply to personally identifiable information used or collected in the survey. Data that include personally identifiable information from students' education records are protected under FERPA and may only be used for the evaluation of federally supported education programs or for conducting studies for, or on behalf of, educational agencies or institutions to improve instruction.

3.1: \*The Recent Graduates Employment and Earnings Survey uses the graduation/completion status of program participants, student background information, and their contact information from the students' education records for graduates of a specific Gainful Employment program as part of the evaluation of Title IV-supported gainful employment education programs. This information is protected by FERPA. The respondents must be informed of these protections, and must be assured that their individual data, including their employment and earnings data, will be protected from unauthorized disclosure, will be combined with those of other respondents from their program, and will only be reported in the aggregate when there are a sufficient number of graduates to protect each respondent's data. Note that the reporting rule in the Gainful Employment Regulations requires 30 cases to report data for a program (Section 668.402).

*Professional Cosmetology Education Center will utilize the RGEES system.*



3.2: Establish procedures and mechanisms to ensure the information is protected during the production, use, storage, transmittal, and disposition of the survey data in any format (paper survey forms, electronic files, printouts). Ensure that personally identifiable survey data are protected from physical and electronic intrusion (see RGEES Best Practices Guide for a template for your Security Plan). See separate security plan attached.

***Professional Cosmetology Education Center will adhere to the Data Security Plan. Please refer to this document for details. The Data Security Plan is included within this document.***

3.3: The reporting rule in the Gainful Employment Regulations requires 30 cases to report data for a program (Section 668.402). If any additional cross-tabulations are released for external use (e.g., using characteristics of the graduates), any table with a cell with 1 or 2 cases must be re-categorized to ensure that each cell in the table has at least 3 cases. This rule applies to counts and to the numerator of any computed rates or percentages, and to the number of cases used to compute an average.

***Professional Cosmetology Education Center will not produce any additional cross-tabulations to release for external use.***

## DATA EDITING

STANDARD 4: Data editing will be used to correct inconsistent data in the RGEES data.

4.1: \*The edits that follow must be used. No additional edits may be used

- Negative values for any of the income questions will be replaced with zeroes (i.e., survey items 3a, 3b, 4a, and 5a).
- When the total income (i.e., sum of survey item responses for 3a, 3b, 4a, and 5a) is calculated, values over \$999,999 will be replaced with \$999,999.

***Professional Cosmetology Education Center will utilize the RGEES system.***

4.2: \* Code the data set to flag each action taken during editing; also retain the unedited data along with the edited data.

***Professional Cosmetology Education Center will utilize the RGEES system.***

## CALCULATION OF RESPONSE RATES

Standard 5: Surveys must be designed and conducted to achieve the highest practical rates of response to ensure that survey results are representative of the list of recent graduates who received Title IV assistance so that they can be used with confidence to reflect the employment status and earnings of the Title IV-assisted recent graduate cohort. Nonresponse bias analysis must be conducted when response rates or other factors suggest the potential for bias to occur.

5.1: \* A completed survey must include sufficient responses to determine whether the respondent has earnings and to support reporting the respondent's total earnings (including 0 earnings). The RGEES survey will be considered "complete" if the respondent fills out at least one of the earnings items. The survey response rate is calculated as the ratio of the number of completed surveys (S) to the number of graduates in the cohort (C). Potential respondents that are eligible and not interviewed may include refusals, noncontacts, incomplete responses, or other reasons for nonresponse. This is handled through the RGEES system

$$\text{Response Rate} = \text{RR} = S/C$$

- If cohort members who were excluded from the agreed upon cohort list that the U.S. Department of Education submitted to the Social Security Administration to obtain the cohort earnings data are added, the count of those added cohort members should be added to the number of cases in the cohort (C) and also to the number of completed surveys (S) (see Introduction for a description of excluded cases).

*Professional Cosmetology Education Center will utilize the RGEES system. Because all, except 2 of the students, would not respond to ANY request, Professional Cosmetology Education Center will submit its appeal for a program under the Gainful Employment Regulations appeal process with its two responses for that program.*

## NONRESPONSE BIAS ANALYSIS

Standard 6: The potential impact of nonresponse on the quality of information obtained from the survey must be taken into consideration. Nonresponse bias is a serious problem and occurs when there is a correlation between the likelihood of participation in the survey and the responses to the survey variable(s) being measured. Survey estimates may be biased if those who choose to participate (respondents) differ substantially and systematically from those who choose not to participate (non-respondents). If these differences are related to employment status or earnings, the results from the RGEES may be misleading or even erroneous. The nonresponse bias analysis can indicate the potential impact of nonresponse bias. A nonresponse bias analysis must be conducted if the unit response rate is between 50 percent and 80 percent.

Nonresponse bias is assessed by comparing respondents and non-respondents on information available from graduates' student records. Analysis of recent program level data identified three variables that are readily available in student records and are correlated with earnings: graduates with Pell grants, graduates with a zero expected family contribution, and graduates who are female. A nonresponse bias analysis examines these attributes of the program graduates to determine whether response rates are related to those attributes and/or whether the characteristics of respondents and non-respondents differ on these characteristics.

If excluded cohort members that are not part of the finalized cohort list that the U.S. Department of Education submitted to the Social Security Administration to obtain the cohort earnings data are added to the list of graduates, the student attribute data for those graduates should be included in the data set prior to conducting the nonresponse bias analysis. (If the RGEES platform is used, data for these graduates should be added to the RGEES data base. If the RGEES platform is not used, these counts should be included in the nonresponse bias analysis.)

The first question in a nonresponse bias analysis is whether the response rates vary across the attributes examined (i.e., do the response rates computed for the group of respondents who received Pell grants differ from those who had a zero expected family contribution, or those who are female)?

The second question in a nonresponse bias analysis is whether there are differences between respondents and non-respondents on the attributes examined—for example, does the percent of responding graduates who received Pell grants differ from the percent of nonresponding graduates who received Pell grants; are there differences between responding and nonresponding graduates in the percentages of graduates with zero expected family contributions; or the percentages who are female

6.1: \*The basic measure of nonresponse bias is the relative bias, that is, the ratio of the bias in an attribute to the percentage of graduates in the cohort with the attribute(s) measured based on data from the graduates' student records. The relative bias must be computed for the percent of graduates who received Pell Grants while enrolled, the percent with zero expected family contributions, and the percent female and the average relative bias averaged over these three attributes.

*Professional Cosmetology Education Center will utilize the RGEES system.*

If excluded cohort members that are not part of the agreed upon cohort list that the U.S. Department of Education submitted to the Social Security Administration to obtain the cohort earnings data are added to the cohort, they must be added to the data collection data base before the final nonresponse bias analysis is conducted (see Introduction for a description of excluded cases). There will be no excluded members added to the survey data.

\*The nonresponse bias analysis must be conducted both with and without the excluded cases. The relative bias must be calculated as follows: This is handled through the RGEES system

- An estimate of the bias due to nonresponse for each of the three attributes examined can be computed as the product of the nonresponse rate and the difference between respondents and non-respondents. An estimate of the bias for each of the three attributes examined is given by:

$$B(Y_{NR}) = Y_R - Y_T = (N_{NR}/N) (Y_R - Y_{NR})$$

Where:

$Y_T$  = the percent based on all cases;

–

$Y_R$  = the percent based only on respondent cases;

–

$Y_{NR}$  = the percent based only on the nonrespondent cases;

$N$  = the total number of cases; and

$N_{NR}$  = the number of nonrespondent cases.

- An estimate of the relative bias is then computed as the ratio of the bias due to nonresponse to the actual value derived from student records.

– – –

$$\text{RelB}(Y_{\text{NR}}) = B(Y_{\text{NR}}) / Y_{\text{T}}$$

- The average relative bias due to nonresponse, computed as the average of the absolute value of the relative bias due to nonresponse measured for each of the three attributes examined, is used to measure the relative bias due to nonresponse present in of the RGEES data.

$$\text{Average RelB}(Y_{\text{NR}}) = (|B(Y_{1\text{NR}}) / Y_{1\text{T}}| + |B(Y_{2\text{NR}}) / Y_{2\text{T}}| + |B(Y_{3\text{NR}}) / Y_{3\text{T}}|) / 3$$

6.2: \*In the case of nonresponse to the RGEES, the following decision rule applies: This is handled through the RGEES system

As a minimum requirement, the average relative bias due to nonresponse (equation 6.1.3) in the data for recent graduates surveyed for a specific program must not exceed 10 percent. That is, the average relative bias computed over the percent of graduates who received a Pell grant, the percent with a zero expected family contribution, and the percent female within an individual program must not exceed 10 percent in order for the earnings data from RGEES to be used to support an appeal under the Gainful Employment Regulations appeal process.

*Professional Cosmetology Education Center will utilize the RGEES system.*

#### CALCULATING THE MEAN AND MEDIAN

Standard 7: Established procedures must be used to compute the mean and median of the earnings data collected using RGEES.

7.1: \*The mean is the average, computed as the sum of all earnings across graduates who responded to the survey divided by the number of graduates who responded to the survey. Nonrespondents must be excluded from the computation, but respondents who reported zero (\$0) earnings must be included in the computation. (The mean will be calculated automatically by the RGEES platform. If the RGEES platform is not used, the mean must be computed as described here.)

*Professional Cosmetology Education Center will utilize the RGEES system.*

7.2: \*The median is the midpoint of the distribution of all reported earnings, including zeros (\$0). One half of the respondents with earnings reported (including zeros (\$)) are above the median and one half are below the median. (The median will be calculated automatically by the RGEES platform. If the RGEES platform is not used, the median must be computed as described here.) This is handled through the RGEES system

*Professional Cosmetology Education Center will utilize the RGEES system.*

- Order the respondents' earnings from the lowest (\$0) to the highest (\$999,999). (If multiple graduates have equal amounts of total income, enter that amount once for each graduate with that amount of income.)
- Identify the middlemost earnings value which is the median earnings value. If the number of respondents is even, there is no one middle value. In this instance, the median is computed as the mean of the two earnings values closest to the middle.

*Professional Cosmetology Education Center will utilize the RGEES system.*

## DOCUMENTING A SURVEY SYSTEM

Standard 8: Complete documentation must be developed for each program that uses the RGEES in an appeal of the program's graduates' earnings under the Gainful Employment Regulations. Documentation includes those materials necessary to replicate and evaluate each survey.

8.1: \*Survey documentation must, at a minimum, include the elements that follow.

1. Final data set(s), final instrument(s) or a facsimile thereof;
2. Definitions of all variables, including coding;
3. Data file layout;
4. Descriptions of constructed variables on the data file that are computed from responses to other variables on the file;
5. List of variables that could be used (alone or in combination) to uniquely identify an individual graduate in the data file;
6. List of all edits applied to the data;
7. Frequency counts of all survey items, including counts of the number missing.

*Professional Cosmetology Education Center will utilize the RGEES system.*

8.2: If the data will be used for any purposes other than the appeal under the Gainful

Employment Regulations, the documentation must also include the elements that follow.

1. General description of disclosure avoidance techniques and
2. Descriptions of restrictions on the use of data (e.g., limited to statistical uses; when using restricted data files, all unweighted counts included in any release must be rounded).

*The data being used for the appeal will not be used for any purpose other than the GE appeal.*

8.3: \*System documentation must include the elements that follow. If using the RGEES Platform, and any alternative modes are used, 1 and 2 should be modified to include relevant information for modes other than the web collection.

1. All instructions to respondents and interviewers about how to properly respond to a survey item or about how to properly present a survey item;

*Professional Cosmetology Education Center will utilize in-person, web and over the phone interviews to conduct the surveys. Staff conducting these modes will be trained on conducting the survey, FERPA and other relevant policies. Staff will attest to such training.*

2. Description of the data collection methodology;

*Standard 2 of this document has been written to consider the use of the alternative modes Professional Cosmetology Education Center will utilize. Please refer to standard 2. Further, Professional Cosmetology Education Center's Data Security Plan is intended to be inclusive of the alternative modes Professional*

*Cosmetology Education Center will operate. Finally, files will be created to include contact logs, surveys and skip tracing documents.*

3. Data editing plan specifications (see Standard 4 and the RGEES Best Practices Guide);

*Professional Cosmetology Education Center will utilize the RGEES system.*

4. Data processing plan specifications and justifications for why they were implemented;

*Professional Cosmetology Education Center will utilize the RGEES system.*

5. Response rates; and Nonresponse bias analysis, if applicable.

*Professional Cosmetology Education Center will utilize the RGEES system.*

# DATA SECURITY PLAN

Kelley Education Inc.

Professional Cosmetology Education Center  
460 N. Washington Ave.  
El Dorado, AR 71730  
870.776.8865

Kelley Education Inc.  
Data Security Plan

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## DATA SECURITY PLAN (DSP)

This Data Security Plan for Professional Cosmetology Education Center, a Kelley Education Inc. school, describes safeguards to protect data, information, and resources. These safeguards are provided to:

- Enable due diligence to ensure the security and confidentiality of covered data, information, and resources
- Protect against anticipated threats or hazards to the security or integrity of such information
- Protect against unauthorized access to or use of covered data, information, and resources that could result in substantial harm or inconvenience

This Data Security Plan also provides for mechanisms to identify and assess the risks that may threaten covered data, information, and resources. Manage and control these risks; implement and review the plan; and adjust the plan to reflect changes in technology, the sensitivity of covered data, information and resources, and internal or external threats to information security. Focus for this document is on the RGEES system.

### RGEES Asset Information

The following tables provide information about the operational environment.

Professional Cosmetology Education Center will utilize a virtual server residing at name and address . Name is an AICPA SOC accredited service organization. The facility features an N+1 rated data center fitted with fire-suppression systems, UPS, back-up generators and environmental controls to ensure high-quality, uninterrupted service. Using state of the art software and in-house facilities experts, the Atlanta data center is continuously monitored 24 hours a day, seven days a week, 365 days a year.

The facility deploys numerous security strategies including 24/7 on-site security, mantraps to prevent tailgating, keycard access systems, video surveillance cameras and system, isolated shipping and receiving area, precast reinforced concrete walls, equipment checks and is SOC Type II certified.

## RGEES PLATFORM ASSET CONTACTS

<i>Asset Role</i>	<i>Robert Kelley</i>	<i>773.351.8999</i>	<i>Robert@pcec.edu</i>
<i>Primary (User) Contact</i>	Robert Kelley		

<i>Administrator</i>	Jill Hanry
<i>Secondary Contact</i>	Jill Hanry

### IMPORTANT DSP LINKS

<i>Link Purpose</i>	<i>Link Address</i>
<i>To access soft copies of this report</i>	Please email <a href="mailto:Robert@pcec.edu">Robert@pcec.edu</a>
<i>Institution/ Organization website</i>	<a href="https://www.pcec.edu">https://www.pcec.edu</a>
<i>Institution/ Organization Email</i>	<a href="mailto:admissions@pcec.edu">admissions@pcec.edu</a>

**INSTITUTION / ORGANIZATION REQUIREMENTS (BUSINESS, FUNCTIONAL AND TECHNICAL)**

ELEMENT	DESCRIPTION
Employee Management and Training	<p>The Chief Compliance Officer, Robert Kelley, &amp; the local school manager, Jill Hanry, will work directly with the RGEES system. If Other employees work with the RGEES platform they will undergo training.</p> <p>During employee RGEES training each employee working with the RGEES platform will receive proper training on the importance of confidentiality of student records, student financial information, and other types of covered data, information, and resources. Each employee is also trained in the proper use of computer information and passwords. Training includes controls and procedures to prevent employees from providing confidential information to an unauthorized individual, including "pretext calling" and how to properly dispose of documents that contain covered data, information, and resources.</p>
Physical Security	<p>Professional Cosmetology Education Center has addressed physical security by placing access restrictions at buildings, computer rooms, and records storage facilities containing RGEES data, information, and resources to permit access only to authorized individuals. These locations and data storage containers are to be locked, and only authorized employees are permitted to possess keys or combinations to them. Paper documents that contain covered data and information are to be shredded at time of disposal. Professional Cosmetology Education Centers data resides on a virtual server within an AICPA SOC II certified data center.</p>
Information Systems	<p>Access to covered data, information, and resources is limited to those employees who have been trained and have a business reason to know such information. Each employee is assigned a set of unique credentials. Databases containing personal covered data, information, and resources including, but not limited to, accounts, balances, and transactional information are available only to employees in</p>

Kelley Education Inc.  
Data Security Plan

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appropriate departments and positions.

Professional Cosmetology Education Center will take reasonable and appropriate steps consistent with current technological developments to make sure that all covered data, information, and resources are secure and to safeguard the integrity of records in storage and transmission. Professional Cosmetology Education Center requires that all systems meet necessary security requirements as defined by the system administrator. These requirements include maintaining the operating system and applications, including application of appropriate patches, and updates in a timely fashion. Authentication is also required of users before they can access system-protected data. In addition, security systems have been implemented to assist with detection and mitigation of threats, along with procedures to handle security incidents when they do occur.

Encryption technology will be utilized for both storage and transmission. All covered data, information, and resources will be maintained on systems that are behind a firewall.

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Management of System Failures  
and Compromises

Professional Cosmetology Education Center has developed plans and procedures to detect actual or attempted attacks on Professional Cosmetology Education Center's systems and has an Incidence Response plan in place which outlines procedures for responding to an actual or attempted unauthorized access to covered data, information, and resources. Incidence Response and Reporting procedures are detailed later in this document.

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Selection of Appropriate Service  
Providers

Due to the specialized expertise needed to design, implement, and service new technologies, external resources may be needed to provide services to Professional Cosmetology Education Center if it determines it will not provide them on its own. In the process of choosing a service provider that will maintain or regularly access covered data, information, and resources, the evaluation process shall include the ability of the service provider to safeguard confidential financial information. Contracts with service providers may include the following provisions:

- An explicit acknowledgement that the contract allows the contract partner access to confidential information

- A specific definition or description of the confidential information being provided
  - A stipulation that the confidential information will be held in strict confidence and accessed only for the explicit business purpose of the contract
  - An assurance from the contract partner that the partner will protect the confidential information it receives according to commercially acceptable standards and no less rigorously than it protects its own confidential information
  - A provision providing for the return or destruction of all confidential information received by the contract provider upon completion or termination of the contract
  - An agreement that any violation of the contract's confidentiality conditions may constitute a material breach of the contract and entitles the "Institution / Organization" to terminate the contract without penalty
  - A provision ensuring that the contract's confidentiality requirements shall survive any termination agreement.
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Anti - Virus

1. All institution systems must have anti-virus software installed.
  2. The anti-virus software and the virus definitions must be kept up-to-date.
  3. Virus-infected computers may be removed from the network until they are verified as virus-free.
  4. The System Administrator is responsible for creating procedures that ensure anti-virus software is in place, operating correctly, and computers are virus-free.
  5. Any activities with the intention to create and/or distribute malicious programs into Professional Cosmetology Education Center's networks (e.g., viruses, worms, Trojan horses, etc.) are prohibited.
- 

Network Control and Access

1. Anyone who uses the computing environment must be properly authorized.
  2. Users must not:
    - Perform acts that negatively impact the operation of computers, peripherals, or networks or that impedes the ability of someone else to do his/her work
    - Attempt to circumvent protection schemes for access to data
-

- or systems
  - Gain or grant unauthorized access to computers, devices, software, or data.
3. Users may be held legally and financially responsible for actions resulting from unauthorized use of Professional Cosmetology Education Center's network and system accounts.
  4. Professional Cosmetology Education Center has installed various network security devices, including account passwords and firewalls, to help ensure the safety and security of information. Any attempt to disable, defeat or circumvent any security facility is considered inappropriate activity and is a violation of this network policy.
  5. Expansion or manipulation of network hardware and/or software, except by designated individuals by management, without prior approval from management, is strictly prohibited.
  6. Prior to connecting any system to the RGEES system network, approval must be obtained in writing from management.
  7. Attachment of any the following devices to the RGEES network, other than those provided or approved by management, is strictly prohibited:
    - DHCP servers
    - DNS servers
    - NAT routers
    - Packet capturing technology
    - Any device that disrupts or negatively impacts network operations
  8. Static assignment of IP addresses not approved or obtained through management is not permitted.
  9. Only management staff or authorized agents may move institution-owned networking and communications equipment.
  10. The owners of data stored on network accessible systems are responsible for managing and determining the appropriateness of
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	information stored on these systems. This includes both private storage areas and “shared” folder areas.
Security Assessment	<ol style="list-style-type: none"><li>1. Network and system security will be assessed on a periodic basis.</li><li>2. Security testing and audits will be conducted on a periodic basis.</li><li>3. If a security concern is found, the responsible party will be notified so the problem can be addressed. Depending on the severity of the concern the device may be removed from the network.</li></ol>
End-User Devices (Workstations, Laptops, Tablets, Mobile Devices, etc.)	<ol style="list-style-type: none"><li>1. Users are responsible for the security and integrity of Professional Cosmetology Education Center’s information stored on their end-user devices, which includes controlling physical and network access to the equipment. This includes personally owned devices to the extent they access Professional Cosmetology Education Center’s IT services or contain Professional Cosmetology Education Center’s data of any kind. Storage of Confidential or personal covered data on mobile devices is strictly prohibited.</li><li>2. Users may not run or otherwise configure software or hardware that may allow access by unauthorized users.</li><li>3. Employees must not access institution-owned end-user devices that have not been provided to them for their work without the express permission of management.</li><li>4. Employees accessing Professional Cosmetology Education Center’s IT services and systems with their own personal devices must adhere to all IT policies</li><li>5. Anti-virus software must be installed on all workstations/laptops that connect to Professional Cosmetology Education Center’s network.</li></ol>
Software Licenses	<ol style="list-style-type: none"><li>1. Virtually all commercially developed software is copyrighted; and the users may use it only according to the terms of the license Professional Cosmetology Education Center obtains.</li><li>2. Duplicating such software with the intent to redistribute or installing multiple instances of such software without authorization is prohibited.</li><li>3. All users are legally liable to the license issuer or copyright holder.</li><li>4. Placing unlicensed or illegally obtained software, music, movies, or documents on institution’s computers is strictly prohibited.</li></ol>

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#### Physical Access

1. Electronic data is protected via the data center. During transmission and storage electronic data is encrypted. During storage traditional data (paper, surveys etc.) are stored within a locked file container within a locked office.
2. Access should only be granted to any person with proper authorization to access the corresponding area.
3. Unauthorized access to areas where personally identifiable information is stored is prohibited and prevented by locks.
4. Management must ensure that staff who (voluntarily) terminate their employment with the department return their physical access keys and cards on their last day of work in that unit.
5. Employees who are (involuntarily) dismissed from Professional Cosmetology Education Center must return their keys and other access control devices/cards at the time they are notified of their dismissal. Any access granted to access control devices/cards must be removed immediately.
6. If an employee does not return his/her keys, areas controlled by the outstanding keys must be rekeyed.
7. Institution information or records may not be removed (or copied) from the office where it is kept except in performance of job responsibilities.
8. Access to Professional Cosmetology Education Center's IT Infrastructure operations areas shall be restricted to those responsible for operation and maintenance.
9. Adequate disaster recovery plans and procedures are required for critical systems data.

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#### Systems

1. Administrative access to servers containing or processing protected data must be password protected.
2. Servers are physically located in an access-controlled environment at the data center.
3. All servers deployed at Professional Cosmetology Education Center must be approved by management. System maintenance plans must be established and maintained and approved by management.
4. All servers must be approved by management. At a minimum, the following information is required to positively identify the point of contact:
5. Network Services should be kept up-to-date with any changes to



- system information.
6. Operating system configuration should be in accordance with approved security best practices.
  7. Services and applications that will not be used must be disabled where possible.
  8. Access to services should be logged and/or protected through access-control methods if possible.
  9. The most recent patches must be installed on the system as soon as practical.
  10. Do not use accounts with elevated privileges (such as administrator or root) access when a non-privileged account can be used.
- 
11. Privileged access must be performed via an encrypted network protocol (such as SSH, HTTPS) and/or over an encrypted method).
  12. All security-related events on critical or sensitive systems must be logged and audit trails saved for a minimum of 30 days.
  13. Security-related events will be reviewed and, if necessary, corrective measures will be made as needed. Security-related events include, but are not limited to:
    - Distributed Denial of Service attacks.
    - Evidence of unauthorized access to privileged accounts.
    - Evidence of access to information by an unauthorized viewer.
    - Anomalous occurrences that are not related to specific applications on the host.
  14. Audits may be performed on any device utilizing Professional Cosmetology Education Center's Network resources at the discretion of management.

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#### Passwords

1. Passwords are designed to prevent unauthorized access to information. Users are responsible for safeguarding passwords along with other authentication mechanisms (such as user names, PINs, etc.) and are accountable for negligent disclosure of passwords.
2. Passwords should be a minimum of 8 characters long and constructed of a combination of alpha and numeric characters.
3. Passwords changes are immediately if compromised. Passwords should be memorized and never written down.

4. Passwords should not be stored in electronic form – in computer files or on portable devices such as USB memory keys unless strongly encrypted.
  5. Passwords should not be stored in browser caches or other “auto complete” types of features available in browsers and other software. These password “memorization” functions should be disabled and never utilized.
  6. Passwords must not be inserted into email messages or other forms of electronic communication without the use of strong encryption.
  7. Do not use the same password for Professional Cosmetology Education Center’s accounts as for other non-institution access (e.g., personal ISP account, option trading, benefits, etc.).
  8. Professional Cosmetology Education Center’s accounts or passwords should not be shared with anyone. All passwords are to be treated as confidential information.
  9. Password “lockout” features should be enabled on any systems where it is available and reasonable to implement. Users will be locked out of systems after X number of unsuccessful attempts in Y period of time to log in and will require administrator intervention to regain access.
- 

System Backup

Full backups along with snapshot are performed daily.

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Physical Assets

1. Networking and computing hardware should be placed in a secure environment and space shall be dedicated to their functions whenever possible.
  2. Employees must know where the fire suppression equipment is located and how to use it.
  3. Materials should not be stored on top of or directly next to equipment; proper airflow and environmental conditions must be maintained.
- 

Wireless Access

1. This policy strictly prohibits access to network resources via open, unsecured wireless communication mechanisms.
  2. Wireless access points not sanctioned by Professional Cosmetology Education Center are prohibited.
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Destruction and Disposal of  
Information and Devices

1. Confidential information must be disposed of in such manner as to ensure it cannot be retrieved and recovered by unauthorized persons. Physical documents must be shredded.
2. When donating, selling, transferring, surplus, or disposing of computers or removable media, care must be taken to ensure that confidential data is rendered unreadable. Any confidential information that is stored must be thoroughly destroyed. In general, it is insufficient to "delete" the information, as it may remain on the medium. The data should be properly removed from the drive either by software that meets U.S. Department of Defense specifications or the drive may be physically destroyed.

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Security Monitoring

Information on the RGEES systems and security software will be monitored to ensure security incidents have not occurred. Logs should be reviewed routinely.

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Incident Reporting

1. Any actual or suspected security incident that involves unauthorized access to electronic systems owned or operated by Professional Cosmetology Education Center.
2. Malicious alteration or destruction of data, information, or communications
3. Unauthorized interception or monitoring of communications
4. Any deliberate and unauthorized destruction or damage of IT resources
5. Unauthorized disclosure or modification of electronic institutional or personal information. Incidents will be treated as confidential unless there is a need to release specific information.

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Incident Response

Professional Cosmetology Education Center's management is the primary point of contact for responding to and investigating incidents related to misuse or abuse of Professional Cosmetology Education Center's Information Technology Resources. This includes computer and network security breaches and unauthorized disclosure or modification of electronic institutional or personal information.

Upon discovery of a security breach, provide initial notification of the

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breach to:

Name: Robert Kelley

Title: Chief Compliance Officer

Phone Number: 773.351.8999

Management will then take steps to:

- Inform local law enforcement or the state attorney general as appropriate.
- Report stolen finances or identities and other cyber-crimes to the Internet Crime Complaint Center at [www.ic3.gov](http://www.ic3.gov).
- Report fraud to the Federal Trade Commission at [www.onguardonline.gov/file-complaint](http://www.onguardonline.gov/file-complaint).
- Report computer or network vulnerabilities to US-CERT via the hotline: 1-888-282-0870 or [www.us-cert.gov](http://www.us-cert.gov).

Steps to follow in case of an incident (Information law enforcement will need):

1. Create a log of all actions taken and maintain this log consistently throughout the incident response process.
  2. Secure the affected area(s). Electronic evidence can be easily destroyed, resulting in the inability to determine if confidential information has been compromised or to provide evidence for future prosecution. Identify potential evidence, both conventional (physical) and electronic, and determine if perishable evidence exists. For example, do not alter the condition of any electronic device by either turning it on, off, or rebooting it until it is determined that it is safe to do so. Inventory and evaluate the scene.
  3. Assess the need for forensic information, such as that gathered from packet traces and system monitoring utilities, which can aid in understanding the nature and scope of the incident and provide evidence for any potential criminal investigation. During this process, consider both the potential value of forensic information vs. the immediate need to protect and restore Professional Cosmetology Education Center's resources and services. Document the decision process.
  4. Collect and save any forensic information identified in the previous two steps. This may include video records, access logs, system logs, network traces, IP addresses, MAC addresses, data backups, system images, or affected computer hardware.
-

5. Regain control of the compromised system. This may include network disconnection, process termination, system shutdown, or other action as indicated to prevent further compromise of protected information.
6. Analyze the intrusion. Document the nature of the intrusion and its impact on information and process integrity. Determine if unauthorized individuals may have acquired restricted information. Attempt to determine the identity of those whose data may have been acquired. Estimate the potential cost (in time, money, and resources) of the intrusion to Professional Cosmetology Education Center.
7. Correct any identifiable system or application vulnerabilities that allowed the intrusion to occur.
8. Verify system and data integrity.
9. Restore service once the integrity of the system and/or information has been verified.
10. Management shall create an incident report with all relevant information. The report should include:
  - Date and time the incident occurred;
  - Description of incident;
  - Detailed list of system(s) and data which were compromised;
  - Identifiable risks to other systems or information;
11. Corrective actions taken to prevent future occurrences; Estimated costs of incident and any corrective actions; and Identity of those responsible for the incident (if available).

## SENSITIVE DATA PROTECTION

Special care and awareness is required with regard to "sensitive data." Sensitive data are any data that the unwarranted and/or unauthorized disclosure of such would have an adverse effect on Professional Cosmetology Education Center or individuals to which it pertains. Unauthorized disclosure or mishandling of sensitive data can be a violation of federal and state law and Professional Cosmetology Education Center and its employees can be held personally liable for damages or remediation costs.

Data related to identity theft such as social security number (SSN), credit card numbers, bank account information, driver's license, name, address, birthdate, passwords, Personal Identification Numbers (PINs), and ID pictures are of particular concern as all or most of this information is collected in the course of business. Other types of data such as medical information, tax returns, donor information, mailing lists, scholarship information, financial

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information, and bidding information are examples of data that could require confidential handling or restricted access. These examples are not exhaustive or all inclusive. It is the responsibility of Professional Cosmetology Education Center's employees handling any sensitive data to understand what data are sensitive and confidential and to adhere to the following guidelines and any applicable regulations.

(b)(6)



## PRIVACY STATEMENT

1. Professional Cosmetology Education Center endeavors to ensure that its treatment, custodial practices, and uses of "Personal Information" are in full compliance with all related federal and state statutes and regulations.
2. Professional Cosmetology Education Center commits to take reasonable precautions to maintain privacy and security of students' and employees' personal information. Professional Cosmetology Education Center cannot guarantee that these efforts will always be successful; therefore, users must

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assume the risk of a breach of Professional Cosmetology Education Center's privacy and security systems.

3. Professional Cosmetology Education Center does not intend to sell, or otherwise disclose for commercial purposes, outside the scope of ordinary institution functions, students' and employees' name, mailing address, telephone number, e-mail address, or other information. While Professional Cosmetology Education Center makes reasonable efforts to protect information provided to us, we cannot guarantee that this information will remain secure and are not responsible for any loss or theft.
4. Personally identifiable information is defined as data or other information which is tied to, or which otherwise identifies, an individual or provides information about an individual in a way that is reasonably likely to enable identification of a specific person and make personal information known about them. All such data is stored in compliance with applicable laws.
5. Personal information includes, but is not limited to, information regarding a person's social security number, driver's license, marital status, financial information, credit card numbers, bank accounts, parental status, gender, race, religion, political affiliation, personal assets, medical conditions, medical records, and personnel or student records.
6. Some data items are considered directory information and will be released to the public unless a request is filed to prevent disclosure of the information, except for any other reason than official institution business. Employees who request confidentiality of that information should contact management; and students should contact their executive director.
7. Professional Cosmetology Education Center assumes that failure on the part of any student or employee to specifically request the withholding of categories of information indicates individual approval for disclosure.
8. Professional Cosmetology Education Center is bound by the Family Educational Rights and Privacy Act (FERPA) regarding the release of student education records, and in the event of a conflict with institutional policies, FERPA will govern.

## FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT (FERPA)

### Notification of Rights

The Family Educational Rights and Privacy Act (FERPA) affords students certain rights with respect to their education records, including the following.

## STUDENT RECORDS

The Student Services Coordinator, Jill Hanry, is responsible for the maintenance of the official student records of Professional Cosmetology Education Center. All requests for copies should be made through the admissions office. Official transcripts are released to other institutions by request only. Request must be typed or printed in ink on a standard 8.5" by 11" sheet of paper. Request must include Professional Cosmetology Education Center, 460 N. Washington Ave. El Dorado, AR 71730 ATTN: Jill Hanry or Admissions Representative & the name of the student, the address to which the transcript should be mailed. We will pay for postage. Transcripts will be mailed within fourteen (14) business days from the date of the request. *All graduation requirements must be met in order for the school to release a transcript.*

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The Family Educational Rights and Privacy Act (FERPA) is a federal law designed to protect the privacy of a student's educational records. Because Professional Cosmetology Education Center is a post-secondary educational institution, the rights described in FERPA belong to the students at HSI, rather than their parents. The term "student" as used in the following FERPA policy applies to currently enrolled students and former students who were accepted, began attending classes, and either graduated, withdrew or did not graduate. Questions about FERPA or FERPA rights should be addressed to the Executive Director.

***Annual Notification***

Students are notified of their FERPA rights by receipt of this document during orientation. Faculty and staff are notified of schools name FERPA policies and procedures by receipt of this document, given to all full and part-time employees at the time of hire.

***Student Rights Under FERPA***

Students (or parent or guardian if the student is a dependent minor) have the right to inspect and review their educational records according to the following procedure:

- Request amendment of their educational records - Students may ask Professional Cosmetology Education Center to amend a record that they believe is inaccurate or misleading. They may submit a written request for amendment of their record(s) to the Executive Director, specifying why they believe the record is inaccurate or misleading. The Executive Director will notify the student of the decision made on the request for amendment.
- Consent for disclosure of their educational records - The exceptions to disclosure of student records only with written consent are noted below.
- File a complaint with the U.S. Department of Education-Individuals who have questions about FERPA or who wish to file a complaint should contact:  
*Family Policy Compliance Office, U.S. Department of Education, 600 Independence Avenue, S.W., Washington, D.C. 20202-4605*

***Procedures to Inspect Educational Records***

Students should submit to the Executive Director a written request, which identifies as precisely as possible the record or records he or she wishes to inspect. The Executive Director will make the needed arrangements for access as promptly as possible and notify the student in writing of the time and place where the records may be inspected. Access will be given in 30 calendar days or less from the receipt of the request. When a record contains information about more than one student, the student may inspect and review only the records that relate to him or her.

***Refusal to Provide Copies***



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School's name reserves the right to deny transcripts or copies of records not required to be made available by the FERPA in any of the following situations:

- The student lives within commuting distance of HSI
- The student has an unpaid financial obligation to HSI
- There is an unresolved disciplinary action against the student

***Disclosure of Education Records***

School's name will disclose information from students' education records only with the written consent of the student (or parent or guardian if the student is a dependent minor), EXCEPT:

- To school officials who have a legitimate education interest in the records. A school official is:
- A person employed by PROFESSIONAL COSMETOLOGY EDUCATION CENTER, A KELLEY EDUCATION INC. SCHOOL, in an administrative, supervisory, academic or research, or support staff position.
- A person employed by or under contract to PROFESSIONAL COSMETOLOGY EDUCATION CENTER, A KELLEY EDUCATION INC. SCHOOL, to perform a special task, such as an attorney, auditor or financial aid
  - consultant.
- A school official has a legitimate education interest if the official is:
- Performing a task that is specified in his or her position description or by a contract agreement.
- Performing a task related to a student's education.
- Performing a task related to the discipline of a student.
- Providing a service or benefit relating to the student or student's family, such as health care, counseling, job
  - placement or financial aid.
- To officials of another school, upon request, in which a student seeks or intends to enroll.
- To certain officials of the U.S. Department of Education, the Comptroller General, and state and local educational authorities in conjunction with an audit, review or evaluation of compliance with education programs.
- In connection with a student's request for or receipt of financial aid, as necessary to determine the eligibility, amount or conditions of the financial aid, or to enforce the terms and conditions of the aid.
- If required by a state law requiring disclosure that was adopted before November 19, 1974.
- To organizations conducting certain studies for or on behalf of HSI.
- To accreditation agency, government agency or the Your accrediting agency, or in direct response to a directive of the Commission.
- To comply with a judicial order or a lawfully issued subpoena.
- To appropriate parties in a health or safety emergency.
- The records of a disciplinary proceeding conducted by PROFESSIONAL COSMETOLOGY EDUCATION CENTER, A KELLEY EDUCATION INC. SCHOOL, against an alleged perpetrator of a violent crime will be disclosed to the alleged victim of that crime without the written consent of the alleged perpetrator.
- To parties requesting directory information, if a student has not provided a written request for the non-disclosure of such information.

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***Directory Information***

Professional Cosmetology Education Center, a Kelley Education Inc. school, designates the following items as Directory Information: Student name, address, telephone number, date and place of birth, major field of study (program), participation in officially recognized activities, dates of attendance, degrees, certificates and awards received, most recent previous school attended and photograph. Professional Cosmetology Education Center, a Kelley Education Inc. school, may disclose any of those items without prior written consent unless notified in writing to the contrary by the tenth calendar date following a student's program start date.

# LIGHTHEART | SANDERS

## CERTIFIED PUBLIC ACCOUNTANTS

### INDEPENDENT ACCOUNTANT'S REPORT

To Kelley Education Inc. d/b/a Professional Cosmetology Educational Center,

We have examined management's assertions that Kelley Education Inc. d/b/a Professional Cosmetology Educational Center conducted its gainful employment survey of its Title IV programs in accordance with the Standards for Conducting the Recent Graduates Employment and Earnings Survey (GE Standards) and that the mean or median earnings used to recalculate the debt-to earnings ratios was accurately determined from the survey results for the award year ended June 30, 2015. Kelley Education Inc. d/b/a Professional Cosmetology Educational Center's management is responsible for this statement. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, the requirements set forth in the GE Standards and with attestation standards contained in the Government Accountability Office's Government Auditing Standards promulgated by the Comptroller General of the United States and with procedures for attestations contained in guides developed by and available from the Department of Education's Office of Inspector General, and accordingly, included examining, on a test basis, evidence supporting management's assertions that Kelley Education Inc. d/b/a Professional Cosmetology Educational Center conducted its gainful employment survey in accordance with the previously mentioned standards and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the gainful employment survey referred to above presents, in all material respects, gainful employment survey results in accordance with the Standards for Conducting the Recent Graduates employment and Earning Survey.

This report is intended solely for the information and use of management and the Department of Education and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Lighthouse Sanders and Associates*

Lighthouse Sanders and Associates

January 31, 2018

GEES Response Rate Report

1/31/2018 11:55

ATA_COLLECTION	GRADUATES_IN_BC	GRADUATES_IN_VC	GRADUATES_IN_AVC	BC_RESPONSE_RATE	VC_RESPONSE_RATE	AVC_RESPONSE_RATE
ainful Employment	30	0	0	6.7	0	0
osmetology	30	0	0	6.7	0	0
EST 1	2	0	0	0	0	0
st	2	0	0	0	0	0
st1	0	0	0	0	0	0
EST1	0	0	0	0	0	0

GEES Case Disposition Report

1/31/2018 11:55

RAD_ID	USERNAME	STATUS	COHORT_TYPE
	(b)(6)	Nonresponse	Base
		Nonresponse	Base
		Nonresponse	Base
		Nonresponse	Base
		Nonresponse	Base
		Nonresponse	Base
		Completed	Base
		Nonresponse	Base
		Nonresponse	Base
0		Nonresponse	Base
1		Partial	Base
2		Nonresponse	Base
3		Nonresponse	Base
4		Nonresponse	Base
5		Nonresponse	Base
6		Nonresponse	Base
7		Nonresponse	Base
8		Nonresponse	Base
9		Nonresponse	Base
0		Nonresponse	Base
1		Nonresponse	Base
2		Nonresponse	Base
3		Nonresponse	Base
4		Completed	Base
5		Nonresponse	Base
6		Nonresponse	Base
7		Nonresponse	Base
8		Nonresponse	Base
9		Nonresponse	Base
0		Nonresponse	Base
1		Nonresponse	Base

ARNINGS	MEAN	MEDIAN	ZERO_EARNINGS	RESPONDENTS	NUMBER_OF_TRIMMED_RESPONDENTS	PERCENT_OF_TRIMMED_RESPONDENTS
total	0	0	0	0	0	0
osmetology	0	0	0	0	NA	NA
rom Employer	0	0	0	0	0	0
osmetology	0	0	0	0	NA	NA
rom Own Business	0	0	0	0	0	0
osmetology	0	0	0	0	NA	NA
ther	0	0	0	0	0	0
osmetology	0	0	0	0	NA	NA

GEES Individual Earnings Report

1/31/2018 11:56

RAD_ID	USERNAME	TOTAL_EARNINGS
4	(b)(6)	20000
		10000

HARACTERISTIC	GRADUATE_NUMBER	GRADUATE_PERCENT	RESPONDENT_NUMBER	RESPONDENT_PERCENT	ESTIMATED_BIAS	RELATIVE_BIAS
ell Grant Recipient	0	0	0	0	0	0
ero expected family contribution	0	0	0	0	0	0
emale	0	0	0	0	0	0
verage of absolute values of relative bias						
						0



## Spann, Brendon

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**From:** AltEarningsAppeals  
**Sent:** Monday, February 05, 2018 1:06 PM  
**To:** Professional Cosmetology Education Center  
**Cc:** Jill Harry; leighanne@pcec.edu; AltEarningsAppeals  
**Subject:** Receipt Confirmed

Hello,

This message confirms that your Gainful Employment alternate earnings appeal package email was received on February 1<sup>st</sup>, 2018. The contents have not yet been reviewed for completeness or content, but your message and at least one attachment were successfully transmitted.

Thank you,

Alternate Earnings Appeals  
Gainful Employment Operations  
Operations Performance Management Services  
Business Operations

**Federal Student Aid** | PROUD SPONSOR of  
AN OFFICE of the U.S. DEPARTMENT of EDUCATION | the AMERICAN MIND™

**From:** Professional Cosmetology Education Center [<mailto:robert@pcec.edu>]  
**Sent:** Thursday, February 01, 2018 11:13 AM  
**To:** AltEarningsAppeals  
**Cc:** Jill Harry; [leighanne@pcec.edu](mailto:leighanne@pcec.edu)  
**Subject:** Alternate Earnings Appeal

Please find 3 attachments of our appeal for school:

OPE ID 02202400  
Professional Cosmetology Education Center  
460 N. Washington Ave.  
El Dorado, AR 71730

Very truly yours,

*Robert Kelley*

1357 N. Milwaukee Ave. | Chicago, IL 60622 USA  
Tel [773.351.8999](tel:773.351.8999) | Fax [773.645.0079](tel:773.645.0079) |  
[robert@pcec.edu](mailto:robert@pcec.edu)

## Spann, Brendon

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**From:** AltEarningsAppeals  
**Sent:** Monday, July 09, 2018 11:04 AM  
**To:** Professional Cosmetology Education Center  
**Cc:** AltEarningsAppeals  
**Subject:** Alternate Earnings Appeal OPEID 022024

**Importance:** High

Dear President/CEO,

The purpose of this communication is to inform you of the results of your Debt-to-Earnings (D/E) rate alternate earnings appeal for your institution's gainful employment program(s) under the Code of Federal Regulations 34 CFR 668.406.

For the following program(s), your institution submitted its Notice of Intent to Appeal and completed appeals package by the deadlines. The Department has reviewed your appeals package and determined that the appeal should not be granted. If any of these programs have failing D/E rates, your institution must comply with the program warning requirements in 34 CFR 668.410(a), including revising the program's Gainful Employment Disclosure Template to the version containing warning language, as soon as possible but no later than 30 days from the date on this letter. The following programs have denied appeals:

### 120401-01

The Department is still reviewing appeals. If you have submitted alternate earnings appeals for any additional programs, those appeals packages are still under consideration by the Department and you will be notified when a determination has been made

Katrina Turner  
Service Director  
Operations Performance Management Services  
Business Operations

**From:** Professional Cosmetology Education Center [<mailto:robert@pcec.edu>]  
**Sent:** Thursday, February 01, 2018 11:13 AM  
**To:** AltEarningsAppeals  
**Cc:** Jill Hanry; [leighanne@pcec.edu](mailto:leighanne@pcec.edu)  
**Subject:** Alternate Earnings Appeal

Please find 3 attachments of our appeal for school:

OPE ID 02202400  
Professional Cosmetology Education Center  
460 N. Washington Ave.  
El Dorado, AR 71730

Very truly yours,

*Robert Kelley*

1357 N. Milwaukee Ave. | Chicago, IL 60622 USA  
Tel 773.351.8999 | Fax 773.645.0079 |  
robert@pcec.edu

This electronic transmission, including any attachments, may contain information belonging to the sender that is privileged, confidential and/or exempt from disclosure, and is intended only for receipt by the individual or entity named. If you believe that you have received this transmission in error, please notify the sender immediately by return e-mail and delete and erase this transmission from your system. Further, you are hereby notified that any disclosure, copying, distribution, use or dissemination of the transmission or its contents, or the taking of any action in reliance on the contents of this transmission, is strictly prohibited.