

## Annual Report - Most Common Errors

Over the past several years, NACCAS has made a concerted effort to track annual report errors. These errors often affect a substantial portion of students in an institution's Annual Report —and as a result, the overall accuracy of an institution's outcomes data.

The foundation of the Annual Report is the graduation rate. If the graduation rate is inaccurate, then the institution's placement and licensure rates will be inaccurate as well. While NACCAS will provide common errors pertaining to all three outcome rates, it is imperative that an institution's graduation cohort contains the correct group of students.

The errors highlighted in this document are some of the most common reasons that institutions have been placed on a heightened monitoring process, and in some cases, have had their accreditation withdrawn. By introducing this resource, we hope to help institutions reduce and eliminate errors that can ultimately result in disciplinary action.

### TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
<b>Graduation</b>	
<u>Common Error #1</u> : The scheduled graduation date in the institution's cohort grid does not match the <u>most recent</u> contract end date shown in the student's file	<u>2</u>
<u>Common Error #2</u> : A contract end date is calculated incorrectly following a leave of absence	<u>4</u>
<b>Placement</b>	
<u>Common Error #3</u> : Students are declared ineligible for employment for invalid reasons or with no reason given on the cohort grid	<u>5</u>
<u>Common Error #4</u> : Institution does not provide complete employer information (i.e., employer name, address, and phone number) for all students listed as placed	<u>6</u>
<u>Common Error #5</u> : Inadequate phone log is provided as placement documentation	<u>7</u>
<u>Common Error #6</u> : Inadequate backup documentation is provided for self-employed students	<u>8</u>
<b>Licensure</b>	
<u>Common Error #7</u> : In a state without exam reports, school does not adequately track its licensure rate.	<u>10</u>
<u>Common Error #8</u> : In a state with exam reports, school does not maintain exam reports for the duration of the reporting period.	<u>10</u>

## GRADUATION RATE

**Common Error #1 - The scheduled graduation date on the institution's cohort grid does not match the most recent contract end date shown in the student's file:**

**Example #1:** Omar Little has a scheduled graduation date of 1/27/2016 on the cohort grid below:

1. Student Name	2. Student Contact Info (Phone # or Email)	3. Date Scheduled to Graduate
Little, Omar	omslittle@wired.com	1/27/2016

However, in his original enrollment agreement, he has a contract end date of 2/15/2015:

NACCAS School of Barbering Student Enrollment Agreement		
School Address		
Phone		
Student Name: Omar Little	Age: 50	Birth Date: 11/1/1966
Address: 124 Winchester Street, Baltimore, MD 21216		Phone: 410-555-5550
Drivers License #L754-212-867	SSN: 555-12-5555	U.S. Citizen: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Contract Begins: 6/7/2014	Contract Ends: 2/15/2015	
<input checked="" type="checkbox"/> Barbering – 1200 Hours, 36 Weeks (Full Time)	<input type="checkbox"/> Esthetics – 600 Hours, 16 Weeks (Full Time)	
<input type="checkbox"/> Transfer/Re-Entry Student – Hours Needed: N/A		
Schedule: Student scheduled to attend a total of 35 hours weekly. Students personal schedule is:		
Tuesday-Wednesday: 9:00am – 4:00pm, Thursday-Friday: 11:00am-6:00pm, Saturday: 8:00am – 3:00pm		

As Mr. Little had no contract addenda (such as a leave of absence, schedule change, etc.), his scheduled graduation date should reflect his original enrollment agreement (the most recent contract end date in this case).

Mr. Little's most recent contract end date is 2/15/2015 —therefore he does not belong in the institution's 2016 (data) Annual Report.

**Only students scheduled to graduate in 2016 should be included in the 2016 report**

**Example #2:** Omar Little has a scheduled graduation date of 12/15/2016 on the cohort grid below:

1. Student Name	2. Student Contact Info (Phone # or Email)	3. Date Scheduled to Graduate
Little, Omar	omslittle@wired.com	12/15/2016

Additionally, the contract end date in his enrollment agreement matches the date on the cohort grid:

NACCAS School of Barbering Student Enrollment Agreement		
School Address		
Phone		
Student Name: Omar Little	Age: 50	Birth Date: 11/1/1966
Address: 124 Winchester Street, Baltimore, MD 21216		Phone: 410-555-5550
Drivers License #L754-212-867	SSN: 555-12-5555	U.S. Citizen: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Contract Begins: 2/2/2016	Contract Ends: <u>12/15/2016</u>	
<input checked="" type="checkbox"/> Barbering – 1200 Hours, 36 Weeks (Full Time)		<input type="checkbox"/> Esthetics – 600 Hours, 16 Weeks (Full Time)
<input type="checkbox"/> Transfer/Re-Entry Student – Hours Needed: N/A		
Schedule: Student scheduled to attend a total of 35 hours weekly. Students personal schedule is:		
Tuesday-Wednesday: 9:00am – 4:00pm, Thursday-Friday: 11:00am-6:00pm, Saturday: 8:00am – 3:00pm		

However, this student took a leave of absence that revised his contract end date to 2/14/2017.

ENROLLMENT AGREEMENT ADDENDUM			
Omar Little	Barbering		
Student Name	Program		
124 Winchester Street, Baltimore, MD 21216	410-555-5550		
Address	Phone Number		
2/2/2016	12/15/2016		
Original Start Date	Original End Date		
SCHEDULE CHANGE			
From	To		
Revised Contract End Date:			
LEAVE OF ABSENCE			
LOA Begins: 4/2/2016	LOA Ends: 6/2/2016		
Revised Contract End Date: <u>2/14/2017</u>			
	4/2/16		
Student Signature	Date	Parent/Guardian Signature (if applicable)	Date
	4/2/16		
Accepted by School Official	Date		

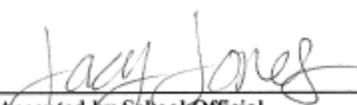
As Mr. Little had one contract addendum (a leave of absence), his scheduled graduation date in the cohort grid should reflect the most recent contract end date, which is 2/14/2017. Since Mr. Little's most recent contract end date is in 2017, he does not belong in the institution's 2016 Annual Report.

**Common Error #2 - A revised contract end date is calculated incorrectly following a leave of absence:**

Example: Student Don Draper’s “Enrollment Agreement Addendum”

Per NACCAS’ Leave of Absence Policy (Policy IV.06), “a leave of absence [must] extend the student’s contract period...**by the same number of [calendar] days taken in the leave of absence.**”

In the example below, Don Draper took an LOA from 3/12/2016 to 5/28/2016 (**77 days**). However, his original contract end date was only adjusted by 55 days from 10/26/2016 to a revised end date of 12/20/2016.

ENROLLMENT AGREEMENT ADDENDUM			
Don Draper	Cosmetology		
Student Name	Program		
1912 Manhattan Blvd. New York, NY 55555	555-555-5550		
Address	Phone Number		
2/19/2016	10/26/2016		
Original Start Date	Original End Date		
SCHEDULE CHANGE			
From	To		
Revised Contract End Date:			
LEAVE OF ABSENCE			
LOA Begins: 3/12/2016	LOA Ends: 5/28/2016		
Revised Contract End Date: 12/20/2016			
 Student Signature	3/12/16 Date	N/A Parent/Guardian Signature (if applicable)	Date
 Accepted by School Official	3/12/16 Date		

His contract end date **SHOULD** have been adjusted 77 days (since his LOA was 77 days), which would have made the correct revised end date **1/11/2017**. As a result, this student does not belong in the 2016 Annual Report. If you find significant discrepancies in your leave of absence calculations (i.e. miscalculations of one month or greater, OR miscalculations that affect a student’s cohort year), please contact Michelle Stock at [mstock@naccas.org](mailto:mstock@naccas.org) for additional guidance.

## PLACEMENT RATE

### **Common Error #3 - Students are declared ineligible for employment for invalid reasons or with no reason given on the cohort grid**

**Example #1:** In this example, student Tony Soprano has been declared ineligible because he is incarcerated, which is not an approved NACCAS exemption.

1. Student Name	2. Student Contact Info (Phone # or Email)	3. Date Scheduled to Graduate	4. Actually Graduated? (Y/N)	5. Date Student Graduated	6. Eligible for Placement? E=Eligible; I=Ineligible
Soprano, Tony	mobboss@hotmail.com	8/9/2016	Y	8/27/2016	I (Incarcerated)

**Graduates must be considered eligible for placement unless they meet one of the following five criteria:**

1. Graduate is deceased
2. Graduate is permanently or indefinitely disabled
3. Graduate is deployed for military service/duty
4. Graduate studied under a student visa and is ineligible for employment
5. Graduate is continuing their education at an institution under the same ownership

### **Note: Being unlicensed is not a valid reason for declaring a student ineligible!**

Unlicensed students may still be counted as placed — as long as they are employed in a position which directly relates to their training. Examples of acceptable placements for unlicensed cosmetology students would be Sally's Beauty Supply, behind the cosmetology counter at Macy's, etc.

**Example #2:** In this example, Thomas Magnum has been declared ineligible, but no valid reason has been listed on the cohort grid:

1. Student Name	2. Student Contact Info (Phone # or Email)	3. Date Scheduled to Graduate	4. Actually Graduated? (Y/N)	5. Date Student Graduated	6. Eligible for Placement? E=Eligible; I=Ineligible
Magnum, Thomas	vetdetective@msn.com	7/4/2016	Y	7/14/2016	I

For all students declared ineligible for employment, a valid reason must be listed on the cohort grid.

**Common Error #4 - Institution does not provide complete employer information (i.e., employer name, address, and phone number) for all students listed as placed:**

Example:

1. Student Name	2. Student Contact Info (Phone # or Email)	3. Date Scheduled to Graduate	4. Actually Graduated? (Y/N)	5. Date Student Graduated	6. Eligible for Placement? E=Eligible; I=Ineligible	7. Placed? (Y/N)	8. Employer Name, Address, and Phone # (Required for All Placed Students)
Gunderson, Marge	mgund@chillinout.com	6/16/2016	Y	5/27/2016	E	Y	Cool Cuts Salon Fargo, ND

For all students reported as placed, you must provide NACCAS with an employer name, employer address, and employer phone number.

For an example of a cohort grid containing complete employer information in column #8, see below:

1. Student Name	2. Student Contact Info (Phone # or Email)	3. Date Scheduled to Graduate	4. Actually Graduated? (Y/N)	5. Date Student Graduated	6. Eligible for Placement? E=Eligible; I=Ineligible	7. Placed? (Y/N)	8. Employer Name, Address, and Phone # (Required for All Placed Students)
Gunderson, Marge	mgund@chillinout.com	6/16/2016	Y	5/27/2016	E	Y	Cool Cuts Salon 1234 Minnesota Drive Fargo, ND 10011 701-722-5897

**Common Error #5 - Inadequate / non-compliant “phone log” (i.e., a written record of a phone conversation) is provided as placement backup documentation:**



**Placement Verification Phone Log** **NACCAS School of Beauty**

**Student's Full Name:** Shaun Riley

**Place of Employment:** Drop Dead Cuts

**Employer Address:** 1234 Zombie Way, Miami, FL 33101

**Employer Phone #:** 305-555-2004

**Position Title:**

**Contact Manager:**

**Information Verified by:**

**Signature of Verifier:** \_\_\_\_\_

**Date Contact/Verified:**

*(A large red circle with a diagonal slash is drawn over the entire form, indicating it is non-compliant.)*

A record of a telephone conversation **must** include:

1. The date the phone verification was conducted
2. The school official conducting the verification
3. The graduate's position title
4. The contact manager at the graduate's employer

**Example of a correct / compliant phone log:**



**Placement Verification Phone Log** **NACCAS School of Beauty**

**Student's Full Name:** Shaun Riley

**Place of Employment:** Drop Dead Cuts

**Employer Address:** 1234 Zombie Way, Miami, FL 33101

**Employer Phone #:** 305-555-2004

**Position Title:** Master Stylist

**Contact Manager:** Edgar Wright

**Information Verified by:** Simone Page

**Date Contact/Verified:** 9/27/2016

**Common Error #6 - Inadequate backup documentation is provided for freelancers or students working from home:**

For freelancers or students working from home, schools must maintain either:

- (i) A signed self-certification from the graduate. This self-certification should be authenticated by either (i) an official notary's seal or (ii) the inclusion of some alternate verification document, such as a driver's license or a state ID card. If a driver's license or alternate verification document is used, the graduate's self-certification should clearly acknowledge that the document was present at the time when the self-certification was completed by the graduate.  
OR
- (ii) Direct electronic correspondence from the graduate (e.g., email, Facebook message, text message, etc.) which clearly and definitively attests to his/her self-employed status (Reminder: for emails and text messages, the institution must maintain documentation that confirms the email address / phone number belongs to the graduate.)  
OR
- (iii) Professional advertisements for field-related services in which it is clear the graduate receives monetary compensation. The advertisement(s) must be definitive, publically available, and explicitly state the professional services or products that the graduate is advertising. For example, a graduate posting a picture of a recent manicure they performed on their personal Facebook page is not acceptable documentation, as this is not an actual advertisement and does not confirm the student is working for monetary compensation. However, a business website (or a professional Facebook page) made specifically to advertise the graduate's services or products would meet this requirement.

**Example #1:** Student corresponds electronically with school, but it is not clear that the student is actually working.

**Jules Winnfield**

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**From:** Tim Roth  
**Sent:** Thursday, September 22, 2016 10:37 PM  
**To:** Jules Winnfield  
**Subject:** RE: Employment Info

Hi Jules,

Thanks for checking in! I'm doing hair for my family and friends.

--Tim

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**From:** Jules Winnfield  
**Sent:** Monday, September 19, 2016 2:53 PM  
**To:** Tim Roth  
**Subject:** Employment Info

Hi Jules,

I hope all is well with you and that you are enjoying your new career!  
We are doing our annual report for NACCAS so I need to know your employer info. Thank you so much!



Tim Rock  
Director  
NACCAS School of Beauty  
555-454-5545

The phrase, “I’m doing [insert service] for family and friends” contains ambiguity, as it does not clarify whether the graduate is actually receiving monetary compensation, or is simply providing this service as a favor or as a means to practice. The student’s self-certification should clearly indicate the student is employed.

**Example #2:** Student completes an in-person self-certification, but the self-certification does not contain a verification document:

10/16/2016

I certify that I am freelancing as a cosmetologist.

Signed,



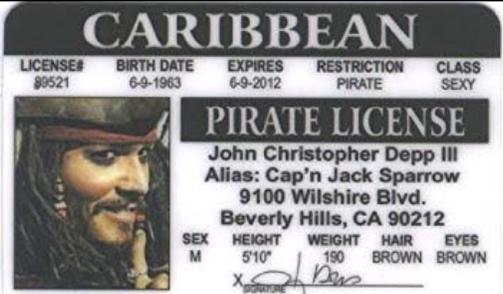
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Jack Sparrow

Note that the example above does not contain a notary seal or a driver’s license.

All self-certifications completed in hard copy must contain some verification document or be notarized. Additionally, when attaching a driver’s license or another verification document, the student must **explicitly** acknowledge that the verification document was present at the time the certification was completed. (*Note: These requirements do not apply to direct electronic correspondence with a graduate.*)

**Example of a compliant in-person self-certification from a student who is freelancing:**



10/16/2016

I certify that I am freelancing as a cosmetologist, and that my driver’s license was present at the time this self-certification was completed.

Signed,



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Jack Sparrow

## LICENSURE RATE

### **Common Error #7 - In a state without exam reports, school does not adequately track its licensure rate:**

Institutions located in a state without examination reports or publically available exam information **must** have a method of tracking their graduates' licensure results.

Often, schools will only track licensure through online license verification systems. The issue with tracking licensure solely through online verifications is that the institution will not account for students who fail their exam.

In order to mitigate this, NACCAS recommends that institutions in states without exam reports or publically available exam information track licensure in the following manner:

1. From the institution's list of graduates, determine which graduates were issued their licenses before the annual report deadline of November 30, 2017. This step may be done using an online license verification. If the graduate was issued a license before the annual report deadline, then they must have passed all parts of their exam.
2. For students who do not appear to be licensed using the online license verification, the institution should use methods similar to those utilized for tracking placement. Maintaining phone logs or direct correspondence (e.g., email, Facebook, etc.) are acceptable methods of tracking exam results.

### **Common Error #8 – In states with exam reports, reports for certain quarters/months are not maintained by the institution.**

Per NACCAS' Annual Report Instructions, institutions in states that issue licensure examination reports (which include student names and exam results) must maintain reports that cover the duration of the reporting period. For the 2016 (data) Annual Report, this is defined as October of 2015 through the month prior to annual report submittal (which is generally October of 2017).

In cases where institutions are unable to obtain exam reports for a given month/quarter in the reporting period (either because the state / testing agency did not issue an exam report, or because the institution had no exam takers), the institution should attempt to obtain proof from the testing service or state (e.g. email correspondence, etc.) that such reports are unavailable. If the institution is unable to obtain proof from the state or testing agency, it should contact Michelle Stock at [mstock@naccas.org](mailto:mstock@naccas.org) for further guidance.