

NACCAS NOW

A NON-PROFIT EDUCATIONAL COMMISSION SERVING STUDENTS THROUGH THE HIGHEST STANDARDS OF EDUCATION

Voluntary Relinquishment
Don't Let This Happen To You!

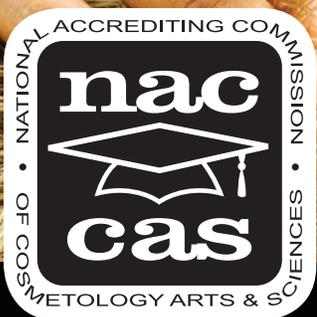
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Winter 2011

FROM THE DESK OF THE EXECUTIVE DIRECTOR:

Voluntary Relinquishment – Don't let this happen to you!

By: Dr. Tony Mirando – NACCAS Executive Director



As part of NACCAS' commitment to excellence, we perform a number of self-evaluations on an on-going basis. These self-evaluations are an important part of obtaining and/or maintaining accurate and repeatable procedures, timelines, files, etc. One part of the self-evaluation process is to conduct audits of our institutional school files. These files are looked at to

ensure consistency and accuracy. We are very proud of our staff, as they have done a great job in updating these files when changes are reported or when errors are found.

However, NACCAS needs your help in order to keep these files accurate and up-to-date. As many of you already know (and for those of you who don't know, please note), you are required to notify NACCAS of any non-substantive or substantive changes you make at your Institution, by submitting a change application. The change application must be received by NACCAS at least 30 days prior to the change taking effect (for specifics read Part 4 of the *NACCAS Rules of Practice and Procedure*). If you are unsure of the type of change you are making (i.e., whether it is non-substantive or substantive), please call your NACCAS Regional Accreditation Specialist for help.

Not complying with Part 4 of the *NACCAS Rules of Practice and Procedure* **will** result in your Institution receiving a Show-Cause letter from NACCAS. Generally speaking, a Show-Cause letter is NACCAS' way of sending you a "past due" notice, and if unanswered can lead to a more serious Probation and/or Withdrawal of Accreditation. If you should receive a Show-Cause letter from NACCAS and you don't understand what it says or means, immediately call your Regional Accreditation Specialist for help, **do not** just put it aside unanswered.

So, what is a Voluntary Relinquishment of Accreditation? Under normal circumstances, Section 8.13 of *NACCAS Rules of Practice and Procedure* states:

An accredited institution may at any time request voluntary relinquishment of NACCAS accreditation status by submitting a written request to the Executive Director of the Commission via certified mail.

- (a) Such request shall specify the date upon which the school wishes the voluntary relinquishment to be effective and contain a statement to the effect that the school official requesting the voluntary relinquishment of accreditation has the authority to do so.

The process so far is straight forward, and should only be used by a NACCAS accredited institution that wishes to give up its accredited status with NACCAS.

Conversely, the process that is laid out below in sub-section (b) of Section 8.13 of the *NACCAS Rules of Practice and Procedure* is of more significance and should cause all Institutions to take heed and states:

- (b) The following actions shall constitute the voluntary relinquishment of accreditation of an Institution if there is no response to an order to "show cause" or a response to "show-cause" does not warrant another action:
- (1) The institution closes or ceases operation as an educational institution (See Section 1.2(b) (3) of these *Rules*.);
 - (2) The institution lost its license to operate in the state in which it is located (See Section 1.2(b) (2) of these *Rules*.);
 - (3) The institution changes name without complying with the procedures established by Section 4.2 of these *Rules*.;
 - (4) The institution relocates without complying with the procedures established by Part 4, Sub-Part 4A.1 of these *Rules*.
 - (5) The institution is sold and the parties to the sale do not comply with the notice and application requirements set forth in Part 4, Sub-Part 4A.2 of these *Rules*.

In other words, your Institution can lose its accreditation by means of Voluntary Relinquishment of Accreditation for not submitting the appropriate change application, and the only warning you will receive is a Show-Cause letter. This letter will be used to verify that indeed you sent in the change application on time, and if that is the case, the Show-Cause will be removed. If, however, your school did not submit the necessary change application or if it was sent in late, your school will have Voluntarily Relinquished its Accreditation.

Any change, such as a change of ownership, can be the result of: 1) a very complex transaction, which would be a substantive change, 2) a simple 10% transfer of stock between existing owners, which would be a non-substantive change, or 3) something in the middle, which could be either a substantive or non-substantive change. In either of the scenarios above, you **MUST** submit the appropriate change application. This is the same for any change listed in Part 4 of the *NACCAS Rules of Practice and Procedure*. Always remember, if you are not sure, call your Regional Accreditation Specialist for help.

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Voluntary Relinquishment *(continued from page 2)*

Additionally, take note that Voluntary Relinquishment is **not** an appealable action under *NACCAS Rules of Practice and Procedure*; so once this happens, it is **final**. Thus what this all comes down to is do not forget to notify NACCAS of your non-substantive and substantive changes.

NACCAS understands that running an Institution can be filled with unexpected challenges, but please don't let something as easy as following our rules on changes, be the reason to lose your accreditation.



NACCAS Welcomes Elected Commissioners

By: Clifford A. Culbreath, Director of Communications

The National Accrediting Commission of Cosmetology Arts & Sciences, Inc. (NACCAS) on December 6, 2010 received the Board of Commissioners election results from the certified public accounting firm of Miller/Musmar, Certified Public Accountants, located in Reston, Virginia. Ms. Cynthia Becher from Fort Dodge, Iowa was elected to serve as School Owner Commissioner Representing Zone 3; Mr. Gary Trottier from West Lebanon, New Hampshire was elected to serve as School Owner Commissioner Representing Zone 6, Ms. Jenaé Davis from Bloomington, Illinois was elected to serve as Commissioner Representing the Professional Services field, and Mr. Ronald D. Perry from Hamilton Square, New Jersey was elected to serve as Commissioner Representing the Public Interest. Each Commissioner will serve a three-year term. Terms for the newly elected Commissioners began January 1, 2011.



Ms. Cynthia Becher elected to serve as School Owner Commissioner Representing Zone 3.

Ms. Cynthia Becher has been in the cosmetology industry for over forty (40) years. She is the owner of La' James International College with locations in Iowa, Illinois, and Nebraska. She has been on the NACCAS Board of

Commissioners since 2008. She is a member of the Institutional Changes and Finance Committee, Standards and Policies Committee, Academic and Institutional Changes Committee, and a member of the File Review Team # 1.

She was instrumental in the conception and development of the Cosmetology Educators Association (CEA), a national organization for cosmetology educators and the continuing education thereof. She has served on the American Association of Cosmetology Schools (AACCS) national board. She is a past member on the advisory boards of Pivot Point International, Iowa Association of Cosmetology Schools and the Iowa Coordinating Council

representing specialized education.

Ms. Becher was awarded the 2007 Educational Service award for Outstanding Services to Business and Education from the Iowa Business and Education Association.



Mr. Gary Trottier elected to serve as School Owner Commissioner Representing Zone 6.

Mr. Gary Trottier has been in the cosmetology profession for 36 years. He has been the owner of New England School of Hair Design, Inc., located in West Lebanon, NH, since 1977. He is a licensed cosmetologist and a licensed

cosmetology instructor since 1975 and 1976, respectively. Mr. Trottier is President of the Tri-State Cosmetology School Association (NH, VT, and ME) and has held that position since 1982. He is also Secretary, NH State Board of Barbering, Cosmetology, and Esthetics; his term expires 3/25/2011. He was recently promoted to Vice-Chairman of the Board.

Mr. Trottier received his Bachelor of Science degree from Keene State College, a member of the University System of New Hampshire. He is part owner of Quale Company, makers of the patented "Color Shell" hair high-lightening tool.



Ms. Jenaé Davis elected to serve as Professional Services Commissioner.

Jenaé Davis is the owner and operator of Salon Jenaé, located in Bloomington, Illinois and a national educator with John Paul Mitchell Systems. She has been in the industry for over 10 years and received a bachelor's degree from Illinois State University and a Masters in

Trichology from The Élan Center for Trichology in Madison, Alabama. Ms. Davis served as a NACCAS evaluator from 2002-2006.

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NACCAS Welcomes Elected Commissioners *(continued from page 3)*

During her tenure as a NACCAS Commissioner, she has served on the Institutional Changes and Finance Committee, the Standards and Policies Committee, as an alternate for the Educational Quality and Compliance Committee, File Review Team #4, and served as the Chair for the development of the current appeals panel. She was a contributing member to the restructuring of the current standards and policies which have been recently revised to better serve the schools and students.



Mr. Ronald D. Perry elected to serve as Commissioner Representing Public Interest.

Ronald Perry currently serves as an Adjunct Instructor of Entrepreneurial Studies and Strategy at the graduate (MBA) and undergraduate levels at Rider University's College of Business Administration. He has been a teacher at Rider University for 19

years. He was named the 1996 recipient of the Rider University Life Achievement Award for the College of Continuing Studies. A committee consisting of university faculty and administrators representing the College of Continuing Studies based selection on leadership, professional achievement, and dedication to Rider University.

He also serves as an entrepreneurial business plan evaluator for Rider University's after school program, Minding Our Business. Minding Our Business seeks to advance the personal and vocational

development of inner city youth through entrepreneurship, education and mentoring.

Mr. Perry currently serves as Public Interest Commissioner At-Large with the National Accrediting Commission of Cosmetology Arts & Sciences (NACCAS) Board of Commissioners. He was appointed to this position in January 2009 to serve until December 2010. Mr. Perry served on the Institutional Changes and Finance Committee, Standards and Policies Committee, and is a member of File Review Team # 2. Mr. Perry also serves as the Commission's technical liaison to the NACCAS office regarding development of NACCAS' Customer Relations Management (CRM) system.

Mr. Perry retired as an Executive Director of Operations at Educational Testing Service (ETS). He served at ETS for over 34 years. He directed the planning, personnel, fiscal, operational and testing policy program activities of a large operational division, providing leadership in adapting operational activities to the continuously changing configuration of testing program services stimulated by technological changes and recommendations by clients, external evaluators, and legislators.

Mr. Perry received his Bachelor of Science in Commerce degree from Rider University in 1981. He also earned a Masters of Business Administration (MBA) degree from Rider University in 1988.

NACCAS' Commission and Staff extend their congratulations to each of our elected Commissioners.



NACCAS Employee Recognition Award

Ms. Jeanette Walker was recently given the NACCAS Employee Recognition award at the NACCAS headquarters in Alexandria, Virginia for her loyalty and dedication as a NACCAS employee. Ms. Walker has been employed by NACCAS for twenty-five (25) years. When she first started in 1986, she was hired as an office assistant and later promoted to mail clerk. She was promoted in 1990 to Accounts Receivable, and worked in the accounting department for eighteen years. In July 2008, Ms. Walker started in the position of NACCAS Pre-screener. Her duties include but are not limited to reviewing all applications received by NACCAS for completeness and assigning institution reference numbers.

Ms. Walker is an avid sports fan and especially enjoys professional football and college basketball. She also enjoys spending time with her grandchildren.

Dr. Miranda presented Ms. Walker with a check that symbolizes the Commission and Staff's appreciation for her loyalty and for 25 years of dedication and service to NACCAS.



On Being an Evaluator

By: Matt Wyse, Accreditation Document Specialist

Are you interested in becoming a NACCAS evaluator or have you wondered what a NACCAS evaluator does? This article aims to share with you the qualifications, the experiences, and the benefits of being a NACCAS evaluator.

There are three categories of NACCAS peer evaluators: practitioner, academic, and school owner/administrator. The practitioner should be qualified in one or more of the many fields within the scope of NACCAS (i.e. Cosmetology, Barbering, Esthetics, Massage Therapy, etc.). The practitioner evaluator must maintain a current practitioner license and demonstrate abiding interest in the field. The academic evaluator must have expertise and teaching experience in post-secondary education, knowledge of pedagogy and the development of curriculum, and recent industry involvement. The school owner/administrator evaluator must have a minimum of two years experience in a NACCAS accredited school and be currently active in school operations or have five years experience in an administrative position in a NACCAS accredited school and demonstrate industry involvement.

As a NACCAS evaluator you get to travel the United States and sometimes Puerto Rico. The amount of travel is at your preference. On the first day of an evaluation trip you travel to your destination and meet with your evaluation team.

The following days are either school evaluation days or travel days between school evaluations. A school evaluation involves meeting school staff, touring the school facility, and gathering information through review of documents, interviews, and general observation. Typically a school evaluation is no longer than a standard work day. Sometimes there is time for shopping, dining, and exploring your surroundings.

An honorarium of \$175 is earned for each school evaluation day or travel day between school evaluations and there is a per diem of \$75 per day. However, the true benefit is the opportunity to meet new people, visit new places, and witness the many different educational ideas and concepts utilized in the operations of NACCAS accredited schools across the nation.

NACCAS is in need of evaluators of all types: school owner/administrator, academic, and practitioner (particularly Barbers and Massage Therapists). If you are interested in this experience or want to learn more, please visit our website, www.naccas.org, and click on New Peer Evaluator Documents, or contact Susie Kofler, Travel Coordinator, at (703) 600-7600, x129.

Do Your Financial Statements Meet NACCAS Standards?

By: Len Grus, CPA, Director of Finance.

All school owners should know whether their school financial statements meet the requirements of our NACCAS *Standard VII*, before they are submitted to NACCAS for evaluation. This includes schools accredited by NACCAS and those who are seeking accreditation. We also recommend that the school's independent Certified Public Accountant (CPA) become familiar with our requirements, so he or she may properly advise the owner. Let's review the basic criteria:

The financials must be prepared by a CPA who does not have a conflict of interest with the school that would impair his or her independent judgment. This would include a relationship of employment or a financial interest in the school by the CPA or members of his immediate family. If the school receives federal Title IV student aid, the statements must be audited according to Generally Accepted Government Auditing Standards (GAGAS), which impose a higher standard of responsibility upon the auditor. Schools that do not receive Title IV funding may currently submit CPA-compiled statements to NACCAS. (Please note that the Commission is considering a change in *Standard VII* to require audited statements from all schools.)



The statements must be prepared on an accrual basis in accordance with Generally Accepted Accounting Principles (GAAP). Cash or income tax basis is not acceptable. They must demonstrate that the institution has sufficient financial resources to ensure continuity of operation, educational programs and services, and to fulfill its obligations to students. This is evaluated based on the following criteria:

- (a) Meets the requirements set forth by the U.S. Department of Education in accordance with Section 34 in the Code of Federal Regulations Part 668.171, or the successor regulation, OR
- (b) Has a ratio of current assets to current liabilities of at least one to one, AND a positive tangible net worth, AND a profit in the most recent fiscal year or in two of the most recent three fiscal years.

Item (a) refers to the "composite score". The worksheet used for this calculation can be found on our NACCAS website under "Other Resources". Please note that our worksheet is not intended to determine a school's eligibility for Title IV funding through the Department of Education. To meet our standard, the school must achieve a score of at least 1.5 (scores range from -1 to 3). Several factors may have a negative impact on the composite score, including:

- High amounts of intangible assets relative to total assets. Intangible assets are those which cannot be converted to cash (e.g., goodwill).
- Large unsecured receivables due from a "related party" (e.g., a loan from the school to the owner, or accounts receivable from companies that are related to the school through common ownership).
- Operating losses

The composite score is designed to assess whether the school has adequate resources available to remain in operation and meet its obligations to students. Intangible assets and unsecured related party receivables are excluded from total assets for purposes of the calculation. The amount of profit or loss is also an important factor. Here are the three major components of the composite score and their assigned weights in the formula:

(1) Primary Reserve Ratio (30%): This compares "Adjusted Equity" to Total Expenses. In other words, what is the financial capacity of the school to meet its current obligations? Adjusted Equity is calculated as follows:

Do Your School Financial Statements.....?

Total Shareholders Equity Stated on Balance Sheet

Minus: Intangible Assets

Minus: Unsecured Related Party Receivables

Minus: Net Fixed Assets

Plus: Long Term Debt (Only up to the amount of net fixed assets. Includes current portion of long term debt.)

Plus: Post Employment or Retirement Liabilities (Does not apply to many schools since they generally don't have defined benefit pension plans)

(2) Equity Ratio (40%): This compares "Modified Equity" to "Modified Assets". These amounts are the equity and assets as stated on the balance sheet, minus intangible assets and unsecured related party receivables on both sides. In other words, how much "true" equity does the school have, after deducting assets of questionable value?

(3) Net Income Ratio (30%): This compares Pre-Tax Income to Total Revenues. No adjustments are made in these two numbers. This ratio indicates the school's profitability.

In the worksheet, each of these three ratios is assigned a "Strength Factor" between -1 and 3. The Strength Factors multiplied by the relative percentage weights above result in a score for each component. The sum of the component scores is the overall composite score, which must be at least 1.5 to meet NACCAS Standard VII.

If a school does NOT achieve the required composite score, it must meet ALL three of the alternative criteria described at the beginning

of this article. This includes having current assets at least equal to current liabilities, positive **tangible** net worth, and a profit in the most recent accounting year or in two of the most recent three fiscal years. Schools with low composite scores (between -1 and 1) usually also have difficulty in meeting the alternative criteria.

To receive accreditation from NACCAS a school must comply with all of our *Standards*. The Commission does deny initial accreditation to schools because they fail to meet our financial criteria. Additionally, our accredited institutions are required to submit their audited financial statements to NACCAS within six months of their fiscal year end. If they don't meet *Standard VII*, the Commission will place the school on financial monitoring. Under *Section 8.18* of our *Rules* the institution has only a limited period of 12, 18, or 24 months to bring itself back into compliance, depending on the length of its longest program.

We realize there are many NACCAS *Standards* and other regulations with which to comply when operating a school. It can be easy to ignore our financial requirements until it's too late. Each school should prepare internal statements at least quarterly and determine whether it's likely to meet the 1.5 composite score or alternate criteria at the end of the fiscal year. If it appears your school is not on the right track, you may want to ask your CPA whether any actions can be taken to stay in compliance with NACCAS *Standard VII*. This may involve reduction of expenses and/or investment of additional equity in the company. NACCAS is not permitted to recommend a specific course of action for your school. If you have questions on our requirements for school financial statements, please contact Len Grus, CPA, Director of Finance at x132.





Recent Changes to NACCAS' Appeal Process

By: Darin M. Wallace, Esq., Director of Government Relations and Legal

In July 2010, NACCAS solicited public comment on proposed amendments to Part 9 of its *Rules of Practice and Procedure*, which governs the NACCAS appeal process. The proposed amendments were of two types. Amendments of the first type – changes relating to the decision-making power of NACCAS' appeal panels ("Panels") – were required by recent changes to federal regulations governing NACCAS, and had already been adopted by the Commission, effective July 1, 2010, under emergency action. Amendments of the second type related to a proposal by the Commission to create a new, permanent Panel consisting of seven Panelists serving overlapping three-year terms.

Both sets of proposals were overwhelmingly approved by the respondents to the Call for Comment. At its October 2010 meeting, the Commission reviewed the results of the Call for Comment and (1) concluded that no additional changes were required to the amendments previously adopted by emergency action and (2) voted to adopt the proposed changes in the composition and formation of the Panel, effective immediately.

Appeal Panels meeting in 2011 will, for the first time, be operating under the procedures of the revised Part 9 of the *Rules*.

The 2011 Changes to the Appeal Process

The chart below briefly summarizes the recent changes to the NACCAS appeal process.

Changes	OLD Part 9	NEW Part 9
How Selected	Appointed by Executive Committee from list of qualified candidates maintained by Commission	Appointed by Commission from among qualified candidates who have applied for appointment. Applications for open seats on the Panel are publicly solicited.
Term of Appointment	New Panelists and alternates are appointed for every hearing.	Panelists are appointed for 3-year terms. Terms overlap, with 2-3 seats on the Panel opening up each year.
Conflicts of Interest	All Panelists and alternates must abide by the NACCAS Conflict of Interest Policy. Schools may object to any Panelist or alternate for violations of the NACCAS Conflict of Interest Policy (and may strike up to 2 Panelists without proof of conflict of interest). If a Panelist or alternate is struck from the Panel, the Executive Committee will select a replacement. The process continues until 3 Panelists and 3 alternates have been selected.	All Panelists must abide by the NACCAS Conflict of Interest Policy. Schools may object to any Panelist for violations of the NACCAS Conflict of Interest Policy. If the Panelist challenges the school's objection, the remaining Panelists shall determine whether a conflict of interest exists. A Panelist with a conflict of interest must recuse from consideration of the school's appeal. If more than 4 Panelists are required to recuse, the Commission will appoint additional qualified Special Panelists solely for the purpose of hearing that school's appeal.

Changes	OLD Part 9	NEW Part 9
Powers of the Panel	<p>The Panel may either: (1) Affirm the Commission's decision; or (2) Remand the decision to the Commission for further consideration</p>	<p>The Panel may either: (1) Affirm the Commission's decision; (2) Reverse the Commission's decision; (3) Amend the Commission's decision; or (4) Remand the decision to the Commission for further consideration.</p> <p>In exercising its powers to reverse or amend a Commission decision, the Panel may not waive or modify any Standard, Rule, policy or other accreditation requirement.</p>
Remand by the Commission	N/A	If the Commission determines that the Panel has exceeded its authority by waiving or modifying NACCAS' Standards or Rules, the Commission may remand the decision back to the Panel to render a decision consistent with the Standards and/or Rules.
New Financial Information	N/A	<p>Notwithstanding the 45-day deadline for submission of appeal documents, if an appeal relates to compliance with NACCAS' financial standards, a school may submit new financial information at any time prior to the meeting of the Panel, so long as that information:</p> <p>(1) Was not available when the Commission made its original decision; and (2) Is significant and material to the deficiencies identified by the Commission.</p>

If you choose to appeal a decision by the Commission, what do these changes mean for you?

1. Your appeal will be heard by a 7-person Appeal Review Panel, whose composition mirrors that of the Commission and whose members serve 3-year, overlapping terms. As the Commission explained in its July 2010 Call for Comment:

The Commission believes that NACCAS' member schools will be better served by the creation of a permanent appeal review panel with rotating membership, than by the continued use of ad hoc panels. The larger panel will have a composition mirroring that of the full Commission, and allowing panelists to have longer, overlapping terms will promote stability and continuity in decisions relating to appeals. The creation of a permanent panel will also reduce the administrative costs of convening ad hoc panels twice-yearly.

2. The Panel will have the power to modify or even reverse the Commission's decision.
3. If your appeal relates to compliance with NACCAS' financial standards, you may submit new, relevant financial information for consideration by the Panel at any time prior to your appeal hearing.

As always, schools are encouraged to contact their Regional Accreditation Specialist with any questions they may have concerning this or any other accreditation process.





DO YOU KNOW WHO YOUR NACCAS SPECIALIST IS?

By: Demara Stamler, Director of Accreditation

Effective January 2011

In an on-going effort by NACCAS to improve our internal procedures and our customer service to the schools, we have changed many of the state assignments of the NACCAS Regional Accreditation Specialists. As of this month and going forward, the Specialists will serve the schools in the specific states outlined below. We have also included their contact information.

Yvette Brooks 703-600-7600 Ext. 112 ybrooks@naccas.org	Maryland, Massachusetts, Mississippi, Pennsylvania, Rhode Island, West Virginia
Brittany Burnett 703-600-7600 Ext. 169 bburnett@naccas.org	Alabama, Iowa, Missouri, Nebraska, New Mexico, Utah
Eugene Hague Associate Program Manager 703-600-7600 Ext. 151 ehague@naccas.org	North Carolina, Puerto Rico, South Carolina
Terrasia Harris 703-600-7600 Ext. 168 tharris@naccas.org	Alaska, Montana, Oklahoma, Texas, Wyoming
Eileen Manrique 703-600-7600 Ext. 148 emanrique@naccas.org	Arizona, Colorado, Guam, Hawaii, Idaho, Oregon, Washington
Marissa Mercado 703-600-7600 Ext. 128 mmercado@naccas.org	Delaware, Florida, Georgia, New Hampshire, Vermont, Virginia
Jonathan Murphy 703-600-7600 Ext. 116 jmurphy@naccas.org	Connecticut, Maine, New York, Ohio
Mary Nell Nacke 703-600-7600 Ext. 152 mnacke@naccas.org	California
Miranda Shurtleff 703-600-7600 Ext. 158 mshurtleff@naccas.org	Illinois, Kentucky, North Dakota, South Dakota, Wisconsin
Randi Smith 703-600-7600 Ext. 117 rsmith@naccas.org	Kansas, Michigan, Minnesota, Nevada, New Jersey, Virgin Islands, Washington DC
Veda Teagle 703-600-7600 Ext. 125 vteagle@naccas.org	Arkansas, Indiana, Louisiana, Tennessee

Commissioners Vote on Amendments to NACCAS' Policies

The following chart summarizes all final actions by the Commission to amend NACCAS' Standards, Rules of Practice and Procedure, Policies, Appendices or By-Laws during the period September-December 2010. The full text of all amended provisions is available on NACCAS' web site: www.naccas.org.

Commission Action	First/Second	Vote	Date of Commission Vote	Effective Date
1. The Commission voted to amend Part 9 of the Rules of Practice and Procedure to create a permanent appeal panel of consisting of 7 members serving overlapping, 3-year terms, effective immediately.	Barnes/ Pappacoda	Carried	10/15/10	10/15/10
2. The Commission voted to amend Section 10.1 of the Rules of Practice and Procedure to reduce the public comment period for schools seeking accreditation from 45 days to 15 days, effective immediately.	Kinion/Chave	Carried	10/15/10	10/15/10
3. The Commission voted to amend Appendix #7A to NACCAS' Rules of Practice and Procedure to provide that schools are not required to submit floor plans with applications for the addition of teacher training programs.	Barnes/Perry	Carried	10/15/10	1/01/11
4. The Commission voted to amend the NACCAS Code of Ethics to provide that NACCAS staff should report potential conflicts of interest to the Executive Director, rather than the Chairman of the Board of Commissioners, unless the alleged conflict involves the Executive Director.	Young/Barnes	Carried	10/15/10	1/01/11
5. The Commission voted to amend NACCAS' Handbook to clarify that the NACCAS Code of Ethics and the Master Statement of NACCAS' Investment Policy and Objectives are not part of the NACCAS By-Laws.	Young/Wolman	Carried	10/15/10	1/01/11

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Commissioners Vote on Amendments..... (continued from page 11)

	Commission Action	First/Second	Vote	Date of Commission Vote	Effective Date
6.	The Commission voted to amend Section 4.9 of the Rules of Practice and Procedure to clarify that branch campuses may not offer less than 100% of any program offered.	Camp/Barnes	Carried	10/15/10	10/15/10
7.	The Commission voted to amend Section 8.1 of the Rules of Practice and Procedure to clarify that the effective date of Commission approval of substantive changes is never retroactive.	Camp/Perry	Carried	10/15/10	10/15/10
8.	The Commission voted to amend Section 4.14 of the Rules of Practice and Procedure to state that when NACCAS approves a teach-out plan that includes a program that is accredited by another recognized accrediting agency, it shall notify that accrediting agency of its approval.	Camp/Young	Carried	10/15/10	10/15/10
9.	The Commission voted to amend Sections 8.7 and 11.4 of the Rules of Practice and Procedure to expressly require that denial, withdrawal and probation notices be given within 30 days of the Commission's decision and to state that NACCAS will give "same time" notices of Probation actions.	Chave/Perry	Carried	10/15/10	10/15/10
10.	The Commission voted to amend Section 8.3 of the Rules of Practice and Procedure to state that when NACCAS grants or renews accreditation of an institution notwithstanding the fact that the institution is subject to an adverse action by another accreditor or state agency, NACCAS will provide the U.S. Department of Education with an explanation of its action within 30 days.	Chave/Barnes	Carried	10/15/10	10/15/10

Meet the New NACCAS Staff

The National Accrediting Commission of Cosmetology Arts & Sciences, Inc. (NACCAS) would like to introduce you to the newest member of our staff. This individual brings to her position dedication, professionalism, experience and a tremendous amount of enthusiasm.

**WELCOME TO THE
NEW STAFF!**



Erica Wilkerson, NACCAS Receptionist

Erica joined NACCAS in December 2010. She is a native of Arlington Virginia. While in high school, Erica gained administrative experience as an intern at NACCAS from 2006 to 2008. In 2007, she received a commendation from the Optimist Club of Alexandria for her hard work and accomplishments. She is currently enrolled

at the University of Phoenix majoring in Criminal Justice. Erica balances her free time between continuing her education and raising her one year old son. She has been a pleasant addition to the NACCAS staff, and she is enjoying becoming the voice of NACCAS when our constituents telephone the office.

Reminder: NACCAS Sustaining Fees are due!

We remind institutions that are accredited by NACCAS and those in the process of seeking accreditation that semi-annual sustaining fees for the first half of 2011 are now past due. Each school should have received an invoice that was due January 31. Thanks to everyone who has already remitted payment. For accredited institutions, the fee is \$630, \$810, or \$990 per campus based on the number of enrolled students listed on the school's annual report that was due November 30. Schools in the process of seeking accreditation pay the lowest rate of \$630 because they are not required to file annual reports. When sustaining fees are not paid on time, late fees of 25% per month will be assessed. If your school did not receive an invoice, please contact Lupeachra Davis, Accounts Receivable, at (703) 600-7600 x131.

NACIQI Update

On December 1, 2010, the National Advisory Committee on Institutional Quality and Integrity ("NACIQI") met to consider NACCAS' Petition for Re-Recognition by the U.S. Department of Education. NACCAS was represented at that meeting by Chairman Bill Church, Executive Director Tony Mirando and Darin Wallace, Director of NACCAS' Government Relations and Legal Department. NACIQI has recommended to the Secretary of Education that NACCAS' recognition by the U.S. Department of Education be continued, with the requirement that NACCAS submit a report to a future meeting of NACIQI concerning its compliance with certain federal regulations for which the Department has requested additional information. NACCAS expects the Secretary to issue a final decision letter early in 2011.





NACCAS Accreditation Workshop Schedule for 2011

March 19, 2011 Candidate Seminar

March 20-21st. Accreditation Workshop

March 22nd Evaluator Training

At the Hyatt Regency-Albuquerque
 333 Tijeras NW, New Mexico USA 67102
 Hotel Registration Deadline: February 28, 2011
 Reservations: 888-421-1442 or 402-592-6464

June 25, 2011 Candidate Seminar

June 26-27th Accreditation Workshop

June 28th Evaluator Training

At the Marriott Pittsburgh City Center
 112 Washington Place, Pittsburgh, PA 15219
 Hotel Registration Deadline: June 2, 2011
 Reservations: 877-645-3553 or 412-471-4000

September 24, 2011 Candidate Seminar

September 25-26th Accreditation Workshop

September 27th Evaluator Training

At the Orlando Airport Marriott
 7499 Augusta National Dr. Orlando, FL 32822
 Hotel Registration Deadline: September 1, 2011
 Reservations: 800-380-6751 or 407-851-9000

December 3, 2011 Candidate Seminar

December 4-5th Accreditation Workshop

December 6th Evaluator Training

At the Las Vegas Hilton
 3000 Paradise Road
 Las Vegas, NV 89109
 Hotel Registration Deadline: November 11, 2011
 Reservations: 800-635-7711

NACCAS Staff and Phone List

Executive Department

Tony Mirando, M.S., D.C., Executive Director Ex. 154
 Brenda Hicks, Executive Assistant to Executive Director Ex. 154

Accreditation Department

Demara Stampler, Director of Accreditation Ex. 137
 Amy Isom, Executive Assistant to Director of Accreditation Ex. 162
 Alison Losey, Program Manager Ex. 121
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 Eugene T. Hague III, Associate Program Manager: NC, PR, SC Ex. 151
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 Brittany Burnett, Reg. Accred. Specialist: AL, IA, MO, NE, NM, UT Ex. 169
 Terrasia Harris, Reg. Accred. Specialist: AK, MT, OK, TX, WY Ex. 168
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 Veda Teagle, Reg. Accred. Specialist: AR, IN, LA, TN Ex. 125
 Matt Wyse, Accreditation Document Specialist 703-589-2764
 Jeanette Walker, Accreditation Pre-screener Ex. 114
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 Afsheen Mirza, Admin for Accreditation Regional Specialist Ex. 156

Communications Department

Clifford Culbreath, Director of Communications Ex. 135
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Finance Department

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 Aisha Burrell, Administrative Assistant Ex. 162

Development and Human Resources Department

Alicia Williams, PHR, Director of Development and Human Resources Ex. 138

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Staff:

Clifford A. Culbreath, Editor

Special Thanks to Contributors:

Tony Mirando, M.S., D.C., Darin M. Wallace, Esq., Len Grus, CPA, Demara Stamler, Matt Wyse

Statement of Purpose

The NACCAS NOW is published by the National Accrediting Commission of Cosmetology Arts & Sciences, Inc., (NACCAS). NACCAS is a 501(c) (3) nonprofit corporation formed in the State of Delaware. Among the major aims and purposes are the following:

1. To advance and develop standards of education and instruction in cosmetology arts and sciences and cognate areas which serve to supplement the practical, scientific and business skills of the cosmetology and massage professions. Cosmetology arts and sciences concern the care for the health, condition, and appearance of hair, skin, nails, massage, and cognate areas.
2. To give recognition through accreditation to schools that agree to and do maintain high standards of cosmetology and massage education and assure quality programs to their students.
3. To encourage high standards of ethical and professional conduct and activities and programs designed to advance and improve service to the public in the field of cosmetology arts and sciences, massage, and cognate areas.

NACCAS is recognized by the United States Department of Education as a national agency for the institutional accreditation of post-secondary schools and departments of cosmetology arts and sciences and massage, including specialized schools.



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