



April 17, 2015

Angaleta Hacker
Executor of Bhavnani Trust
Valley Beauty School
627 Main Street
Zanesville, OH 43701

Certified Mail Return Receipt Requested
7012 1640 000 0216 5472

RE: Final Program Review Determination
OPE ID: 03416400
PRCN: 2013 10 5 28440

Dear Ms Hacker:

The U.S. Department of Education's (Department's) Chicago/Denver School Participation Division issued a program review report on October 8, 2014 covering Valley Beauty School's (Valley-Zanesville) administration of programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs), for the 2012-2013 award year. The focus of the review was to assess Valley-Zanesville's compliance with reporting and disclosing gainful employment information to current and perspective students. At the time of the review the school did not have a website. The institution's response was received on April 15, 2015.

The Chicago/ Denver School Participation Division has reviewed Valley-Zanesville's response) to the Program Review Report. A copy of the program review report (and related attachments) and Valley-Zanesville's responses are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by Valley upon request. Additionally, the Final Program Review Determination (FPRD), related attachments, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after this FPRD is issued.

Valley-Zanesville's closed in December 2014. The school indicated in conversations with the Department that they were not required to respond to the program review report because they had closed. The response received on April 15, 2015 indicated that the school had closed and therefore, there was no longer a need to create a website.

The Department accepted the school's response. However, there is no way to truly "correct" a violation of federal regulations once it occurs. Valley-Zanesville closing does

did not have the gainful employment information available when they were making their decision to attend Valley-Zanesville.

Valley-Zanesville may consider the program review is closed with no further action required.

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. §§ 668.24(e)(1), (e)(2), and (e)(3).

If Valley-Zanesville has any questions regarding this letter, please contact Mary Murray at (312)730-1715.

Sincerely,

A black rectangular redaction box covering the signature of Douglas Parrott.

Douglas Parrott
Division Director

Enclosure: Program Review Report (with attachments)

cc: Jason Johnson, Financial Aid Assistant
National Accrediting Commission of Career Arts and Sciences
Ohio State Board of Cosmetology
Department of Defense
Department of Veterans Affairs
Consumer Financial Protection Bureau

Final Program Review Determination
PRCN #: 2013 10 5 28440

Appendix A
Program Review Report

Prepared for

Valley Beauty School-
Zanesville



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OPE ID 034164
PRCN 201310528440

Prepared by
U.S. Department of Education
Federal Student Aid
School Participation Division- Chicago/Denver

Program Review Report

October 8, 2014



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A. Institutional Information

Valley Beauty School
627 Main Street
Zanesville, OH 43701

Type: Proprietary

Highest Level of Offering: 2 Year Non-Degree (1600-2600 hours)

Accrediting Agency: National Accrediting Commission of Cosmetology Arts & Sciences (NACCAS)

Current Student Enrollment: 19 (Fall 2012)

% of Students Receiving Title IV: 67% (2011-12)

Title IV Participation (PEPS)

	2011-2012
Federal Pell Grant (Pell)	\$97,714
Federal Direct Loan Program (Direct Loan)	\$22,174

Default Rate FFEL/DL:	2011	16.1%
	2010	10.8%
	2009	8.8%

B. Scope of Review

The U.S. Department of Education (the Department) conducted an off-site program review at Valley Beauty School (Valley) from December 17, 2012 to December 18, 2012. The review was conducted by Mr. David Musser.

The focus of the review was Gainful Employment Disclosure. The review consisted of an examination of Valley's disclosures related to programs that prepare students for gainful employment.

The reviewed assessed Valley's administration of the Title IV, HEA programs, specifically the institution's compliance with requirements under the gainful employment consumer information disclosure regulations.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning <Shortened Institution Name>'s specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve <Shortened Institution Name> of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

This report reflects initial findings. These findings are not final. The Department will issue its final findings in a subsequent Final Program Review Determination letter.

C. Findings

During the review, several areas of noncompliance were noted. Findings of noncompliance are referenced to the applicable statutes and regulations and specify the actions to be taken by Valley Beauty School to bring operations of the financial aid programs into compliance with the statutes and regulations.

Finding 1: Reporting and Disclosure Requirements for Programs that Prepare Students for Gainful Employment in a Recognized Occupation Not Followed

Citation: 34 C.F.R. § 668.6 (b) (1): For each program offered by an institution under this section, the institution must provide prospective students with—

(i) The occupations (by names and SOC codes) that the program prepares students to enter, along with links to occupational profiles on O*NET or its successor site. If the number of occupations related to the program, as identified by entering the program's full six digit CIP code on the O*NET crosswalk at <http://online.onetcenter.org/crosswalk/> is more than ten, the institution may provide Web links to a representative sample of the identified occupations (by name and SOC code) for which its graduates typically find employment within a few years after completing the program:

(ii) The on-time graduation rate for students completing the program, as provided under paragraph (c) of this section:

(iii) The tuition and fees it charges a student for completing the program within normal time as defined in § 668.41(a), the typical costs for books and supplies (unless those costs are included as part of tuition and fees), and the cost of room and board, if applicable. The institution may include information on other costs, such as transportation and living expenses, but it must provide a Web link, or access, to the program cost information the institutions makes available under § 668.43(a);

(iv) The placement rate for students completing the program, as determined under a methodology developed by the National Center for Education Statistics (NCES) when that rate is available. In the meantime, beginning on July 1, 2011, if the institution is required by its accrediting agency or State to calculate a placement rate on a program basis, it must disclose the rate under this section and identify the accrediting agency or State agency under whose requirements the rate was calculated. If the accrediting agency or State requires an institution to calculate a placement rate at the institutional level or other than a program basis, the institution must use the accrediting agency or State methodology to calculate a placement rate for the program and disclose that rate; and

(v) The median loan debt incurred by students who completed the program as provided by the Secretary, as well as any other information the Secretary provided to the institution about that program. The institution must identify separately the median loan debt from title IV, HEA program loans, and the median loan debt from private educational loans and institutional financing plans.

(2) For each program, the institution must—

(i) Include the information required under paragraph (b)(1) of this section in promotional materials it makes available to prospective students and post this information on its Web site:

(ii) Prominently provide the information required under paragraph (b)(1) of this section in a simple and meaningful manner on the home page of its program Web site, and provide a prominent and direct link on any other Web page containing general, academic, or admissions information about the program, to the single Web page that contains all the required information;

(iii) Display the information required under paragraph (b)(1) of this section on the institution's Web site in an open format that can be retrieved, downloaded, indexed, and searched by commonly used Web search applications. An open format is one that is platform-independent, is machine-readable, and is made available to the public without restrictions that would impede the reuse of that information

Noncompliance: Valley Beauty School does not have a website.

Required Action: The institution must submit copies of the updated website as well as copies of the information contained on the required links. The functionality of the required links will be tested after the institution's response is received.

The institution must also provide a written response identifying the corrective actions that will be taken to ensure that the Gainful Employment Disclosure requirements are met in the future. This written plan must include a copy of procedures that detail what actions will be taken to ensure that Gainful Employment is disclosed to students. All of this information must be submitted with Valley's response to the program review report.

Final Program Review Determination
PRCN #: 2013 10 5 28440

Appendix B

Program Review Report Response



April 17, 2015

Angaleta Hacker
Executor of Bhavnani Trust
Valley Beauty School
706 Wheeling Avenue
Cambridge, OH 43725

Certified Mail Return Receipt Requested
7012 1640 000 0216 4369

RE: Final Program Review Determination
OPE ID: 03024300
PRCN: 2013 10 5 28441

Dear Ms Hacker:

The U.S. Department of Education's (Department's) Chicago/ Denver School Participation Division issued a program review report on October 8, 2014 covering Valley Beauty School's (Valley) administration of programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs), for the 2012-2013 award year. The focus of the review was to assess Valley's compliance with reporting and disclosing gainful employment information to current and perspective students. At the time of the review the school did not have a website. The institution's initial response was received on November 14, 2014 and the institution's final response was received on April 15, 2015.

Chicago/ Denver School Participation Division has reviewed Valley's response(s) to the Program Review Report. A copy of the program review report (and related attachments) and Valley's responses are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by Valley upon request. Additionally, the Final Program Review Determination (FPRD), related attachments, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after this FPRD is issued.

Valley's responses have resolved all findings. The school created a functional website. The reviewer examined the Gainful Employment disclosure and the website found them to be minimally adequate. In addition Valley has provided minimal assurances that the appropriate corrective actions have been taken to resolve and prevent future occurrences of all findings. Therefore, Valley may consider the program review is closed with no further action required.

Federal Student

AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

Chicago/Denver School Participation Division
500 West Madison Street Suite 1576 Chicago, IL 60661-4544
StudentAid.gov

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. §§ 668.24(e)(1), (e)(2), and (e)(3).

If Valley has any questions regarding this letter, please contact Mary Murray at (312)730-1715.

Sincerely,

A black rectangular redaction box covering the signature of Douglas Parrott.

Douglas Parrott
Division Director

Enclosure: Program Review Report (with attachments)
Program Review Report Response (with attachments)

cc: Jason Johnson, Financial Aid Assistant
National Accrediting Commission of Career Arts and Sciences
Ohio State Board of Cosmetology
Department of Defense
Department of Veterans Affairs
Consumer Financial Protection Bureau

Final Program Review Determination
PRCN #: 2013 10 5 28441

Appendix A
Program Review Report

Prepared for

**Valley Beauty School-
Cambridge**

Federal Student
AID
OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

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**OPE ID 03024300
PRCN 201310528441**

Prepared by
**U.S. Department of Education
Federal Student Aid
School Participation Division- Chicago/Denver**

Program Review Report

October 8, 2014

Chicago/Denver School Participation Division
500 West Madison Street, Suite 1676
Chicago, IL 60661
StudentAid.gov

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A. Institutional Information

Valley Beauty School
706 Wheeling Avenue
Cambridge, OH 43725-2332

Type: Proprietary

Highest Level of Offering: 2 Year Non-Degree

Accrediting Agency: National Accrediting Commission of Cosmetology Arts & Sciences (NACCAS)

Current Student Enrollment: 27 Fall 2012

% of Students Receiving Title IV: 81% (2011-2012)

Title IV Participation (PEPS):

2011-2012

Federal Pell Grant (Pell)	\$122,656
Federal Direct Loan Program (FDLP)	<u>\$ 67,820</u>
	\$190,476

Default Rate FFEL/DL:	2011	35.8%
	2010	17.6%
	2009	28.1%

B. Scope of Review

The U.S. Department of Education (the Department) conducted an off-site program review at Valley Beauty School (Valley) December 17, 2012 – December 18, 2012. The review was conducted by David Musser.

The focus of the review was Gainful Employment Disclosure. The review consisted of an examination of Valley Beauty School's disclosures related to programs that prepare students for gainful employment.

This review assessed Valley's administration of the Title IV, HEA programs, specifically the institution's compliance with requirements under the gainful employment consumer information disclosure regulations.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning Valley's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve Valley of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

This report reflects initial findings. These findings are not final. The Department will issue its final findings in a subsequent Final Program Review Determination letter.

C. Findings

During the review, several areas of noncompliance were noted. Findings of noncompliance are referenced to the applicable statutes and regulations and specify the actions to be taken by Valley to bring operations of the financial aid programs into compliance with the statutes and regulations.

Finding 1: Reporting and Disclosure Requirements for Programs that Prepare Students for Gainful Employment in a Recognized Occupation Not Followed

Citation: 34 C.F.R. § 668.6 (b) (1): For each program offered by an institution under this section, the institution must provide prospective students with—

(i) The occupations (by names and SOC codes) that the program prepares students to enter, along with links to occupational profiles on O*NET or its successor site. If the number of occupations related to the program, as identified by entering the program's full six digit CIP code on the O*NET crosswalk at <http://online.onetcenter.org/crosswalk/> is more than ten, the institution may provide Web links to a representative sample of the identified occupations (by name and SOC code) for which its graduates typically find employment within a few years after completing the program;

(ii) The on-time graduation rate for students completing the program, as provided under paragraph (c) of this section;

(iii) The tuition and fees it charges a student for completing the program within normal time as defined in § 668.41(a), the typical costs for books and supplies (unless those costs are included as part of tuition and fees), and the cost of room and board, if applicable. The institution may include information on other costs, such as transportation and living expenses, but it must provide a Web link, or access, to the program cost information the institutions makes available under § 668.43(a);

(iv) The placement rate for students completing the program, as determined under a methodology developed by the National Center for Education Statistics (NCES) when that rate is available. In the meantime, beginning on July 1, 2011, if the institution is required by its accrediting agency or State to calculate a placement rate on a program basis, it must disclose the rate under this section and identify the accrediting agency or State agency under whose requirements the rate was calculated. If the accrediting agency or State requires an institution to calculate a placement rate at the institutional level or other than a program basis, the institution must use the accrediting agency or State methodology to calculate a placement rate for the program and disclose that rate; and

(v) The median loan debt incurred by students who completed the program as provided by the Secretary, as well as any other information the Secretary provided to the institution about that program. The institution must identify separately the median loan debt from title IV, HEA program loans, and the median loan debt from private educational loans and institutional financing plans.

(2) For each program, the institution must—

(i) Include the information required under paragraph (b)(1) of this section in promotional materials it makes available to prospective students and post this information on its Web site;

(ii) Prominently provide the information required under paragraph (b)(1) of this section in a simple and meaningful manner on the home page of its program Web site, and provide a prominent and direct link on any other Web page containing general, academic, or admissions information about the program, to the single Web page that contains all the required information;

(iii) Display the information required under paragraph (b)(1) of this section on the institution's Web site in an open format that can be retrieved, downloaded, indexed, and searched by commonly used Web search applications. An open format is one that is platform-independent, is machine-readable, and is made available to the public without restrictions that would impede the reuse of that information

Noncompliance: Valley Beauty School does not have a website.

Required Action: Valley must comply with the regulatory requirements cited and submit documentation to substantiate the corrections. Specifically, the institution must submit copies of the updated website as well as copies of the information contained on the required links. The functionality of the required links will be tested after the institution's response is received.

The institution must also provide a written response identifying the corrective actions that will be taken to ensure that the Gainful Employment Disclosure requirements are met in the future. This written plan must include a copy of procedures that detail what actions will be taken to ensure that Gainful Employment is disclosed to students. All of this information must be submitted with Valley's response to the program review report.