

August 11, 2016

VIA EMAIL (mceranek@milaninstitute.edu)

Dr. Marcy Ceranek Corporate Director of Compliance Milan Institute 75-030 Gerald Ford Drive, Ste 203 Palm Desert, CA 92211

> Re: Annual Completion and Placement Report Response Reviewed; US ED Report Response Reviewed; Programmatic Probation Issued; Interim Report Required ACCET ID #863

Dear Dr. Ceranek,

At its August 2016 meeting, the Accrediting Commission of the Accrediting Council for Continuing Education & Training (ACCET) reviewed the institution's Annual Completion and Placement report and follow-up response, dated July 29, 2016, as well as the institution's report on its HCM2 status, dated July 28, 2016.

The institution's annual report indicated below-benchmark completion and placement rates for 2015 for the following programs and locations:

<u>Palm Desert, CA</u> Accounting (eve) Massage Therapy (day) Administrative Medical Assistant (day)	Completion 64.29% Completion 73.91% Completion 79.31%	Placement 62.5% Placement 60% Placement 61.9%
<u>Amarillo, TX</u> Medical Assisting (eve) Administrative Medical Assistant (eve) Administrative Medical Assistant (day) Dental Assistant (eve) Dental Assistant (day)	Completion 62.5% Completion 72.73% Completion 63.64% Completion 66.67% Completion 74.36%	Placement 46.15% Placement 57.14% Placement 69.23% Placement 60% Placement 68%

In its response, the institution provided updated completion and placement rates for each of the programs noted for 2015 and for January – February 2016. The response included the institution's

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current operational plan for identifying at-risk students and supporting students and graduates in career placement. The institution's updated rates are as follows:

Palm Desert, CA Program	Year (# ne	Completion t starts/# completers)	Placement (# net completers/# placed)
Accounting (eve)	2015	64.29% (14/9)	62.5% (8/5 adjusted rate)
	Jan- Feb 2016	100% (2/2)	0% (2/0)
Admin Med. Asst. (day)	2015	79.31% (29/23)	61.9% (21/13)
	Jan- Feb 2016	100% (4/4)	75% (4/3)
Massage Therapy (day)	2015	73.91% (23/17)	60% (15/9)
	Jan- Feb 2016	100% (2/2)	0% (2/0)
<u>Amarillo, TX</u> Program	Year (# net s	Completion tarts/# completers)	Placement (# net completers/# placed)
Med Asst. (eve)	2015	62.5% (24/15)	46.15% (13/6)
	Jan- Feb 2016	40% (5/2)	50% (2/1)
Admin Med. Asst. (day)	2015	63.64% (22/14)	69.23% (13/9)
	Jan- Feb 2016	100% (3/3)	0% (3/0)
Admin Med. Asst. (eve)	2015	72.73% (11/8)	57.14% (7/4)
	Jan- Feb 2016	66.67% (3/2)	0% (2/0)
Dental Asst. (day)	2015	74.36% (39/29)	68% (25/17)
	Jan- Feb 2016	85.71% (7/6)	50% (6/3)
Dental Asst. (eve)	2015	66.67% (15/10)	60% (10/6)
	Jan- Feb 2016	100% (5/5)	40% (5/2 adjusted rate)

Therefore, the Commission voted to issue a programmatic probation directive for the Medical Assisting (evening) program at Amarillo, Texas, requiring the institution to provide a compelling rationale as to why approval for this program should not be withdrawn. This action was based on a 2015 placement rate that is significantly below the ACCET benchmark.

The Commission also reviewed the institution's HCM2 status and narrative response indicating that while the HCM2 status affects all campuses, the program review issues were originally noted for a campus not under ACCET accreditation. The Commission determined that while careful monitoring is required on this issue, no further steps must be taken as a result of the program review at this time.

Toward that end, the Commission directed the institution to submit an interim report to include the following specific items:

1. Quarterly financial reporting (balance sheet and income statement) due within 30 calendar days of the end of each quarter, along with a signed attestation from the CEO or CFO attesting to the truth and accuracy of the statements.

- 2. A narrative update on the institution's operational changes made to accommodate the institution's HCM2 status and to address issues uncovered as a result of the Program Review. The institution is also directed to provide an update on the institution's response to the Program Review, including the independent file review mentioned in the institution's letter to ACCET. As a reminder, any correspondence from the U.S. Department of Education must be submitted to ACCET within 10 days of receipt.
- 3. Written policy and procedures to support the narrative provided in the institution's July 29, 2016 response regarding its operation career plan for students, as well as documentation to demonstrate systematic and effective implementation of the plan.
- 4. Updated Document 28.1 <u>Completion and Placement Statistics</u> for calendar year 2015 and for the period January 1 through May 31, 2016, for all programs noted in this letter, along with: (i) the attached <u>On-Site Verification: Completion, Placement, and Academic Data</u> form (OSVF) completed for each monthly student cohort and (ii) supporting documentation for all newly placed graduates and waivers recorded since the July 28th, 2016 submission.

A copy of this report, including the attached interim report cover sheet, must be emailed to **interimreports@accet.org** for receipt at the ACCET office no later than **October 28, 2016**. Quarterly financial reporting is due to **frc@accet.org** within 30 calendar days of the end of each quarter.

As a reminder, please be advised that late submission and receipt of documents and reports are subject to significant late fees in accordance with Commission policy. These fees are outlined in ACCET Document 10, which can be found at <u>www.accet.org</u>.

Your demonstrated capabilities and commitment in support of the institution's accredited status are essential to a favorable outcome in this process. Should you have any questions or need further assistance regarding this letter, please contact the ACCET office at your earliest opportunity.

Sincerely,

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William V. Larkin, Ed.D. Executive Director

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Enclosures: Interim Report Cover Sheet On-Site Sampling Verification Form CC: Mr. Herman Bounds, Chief, Accreditation Division, US ED (aslrecordsmanager@ed.gov) Ms. Martina Fernandez-Rosario, ACD - San Francisco/Seattle, US ED (martina.fernandezrosario@ed.gov) Mr. Ron Bennett, Director, School Eligibility Service Group, US ED (ron.bennett@ed.gov) Ms. Joanne Wenzel, Bureau Chief, CA Bureau for Private Postsecondary Education, (joanne_wenzel@dca.ca.gov) Leeza Rifredi, CA Bureau for Private Postsecondary Education, Ms. (leeza.rifredi@dca.ca.gov)