



August 29, 2022

VIA EMAIL  
mschepis@lado.edu

Dr. Margaret Schepis  
Academic Dean  
LADO International Institute  
1550 Wilson Boulevard, Garden Level  
Arlington, VA 22209

***Re: Institutional Show Cause Continued  
Interim Report Reviewed  
Interim Report Required  
ACCET ID #879***

Dear Dr. Schepis:

At its August 2022 meeting, the Accrediting Commission of the Accrediting Council for Continuing Education & Training (ACCET) reviewed the interim report submitted by LADO International Institute, with a main campus in Arlington, VA, in response to the April 28, 2022 Commission action letter which continued the Institutional Show Cause directive, initially issued at the December 2021 Commission meeting. The April 2022 action required the institution to provide further compelling rationale to show cause why LADO's accreditation should not be withdrawn as the institution did not demonstrate liquidity for 2021, with a high reliance on PPP forgiveness and 2021 tax refund. Additionally, the institution's revenue and cost of goods both decreased 44% from 2019 to 2020; however, expenses only decreased by 20% with a drop in bad debt and salaries. LADO's financials suggested a growing deficit as revenue declined.

The April 2022 directive required the institution to submit an interim report to include the following specific items: (1) a narrative update to include a compelling rationale to show cause why LADO's accreditation should not be withdrawn; (2) a detailed operational strategy to increase revenue and control costs; (3) documentation demonstrating the status of the institution's PPP loan forgiveness; (4) documentation demonstrating the status of the institution's 2021 IRS refund; (5) an analysis by month, comparing budget versus actual year-to-date (January–June 2022) with projections for the subsequent two quarters (July–September 2022 and October–December 2022); and (6) a proposed Teach-Out plan in accordance with ACCET Document 32 – Teach-out/Closure Policy.

At its August 2022 meeting, the Commission reviewed the institution's interim report submitted on June 27, 2022, and voted to continue the Institutional Show Cause directive, requiring the institution to provide further compelling rationale to show cause why LADO's accreditation should not be withdrawn. In its response, the institution provided a narrative update, a strategic plan to control costs, increase revenue, and find new sources of income from promotion and partnerships, an update on the institution's PPP loan forgiveness, an update on the 2021 IRS refund, an analysis by month of budget and actual year-to-date financials with projections through the end of 2022, and a comprehensive Teach-Out plan. However, the status of the PPP loan forgiveness and IRS tax refund remain unresolved, and additional time is needed

for the Commission to monitor the progress of the initiatives set forth in the institution's operational plans.

**Therefore, the Commission directed the institution to submit an interim report to include the following specific items:**

- 1. A detailed narrative update on the institution's progress towards improving its financial condition through the end of 2022.**
- 2. Documentation demonstrating the status of the institution's PPP loan forgiveness.**
- 3. Documentation demonstrating the status of the institution's 2021 IRS refund.**
- 4. An analysis by month comparing budget versus actual year-to-date (January–September 2022) with projections for the subsequent two quarters (October–December 2022 and January–March 2023).**

The institution's response, including the attached **Interim Report cover sheet**, must be uploaded (link provided below) no later than **October 31, 2022**, for the institution's report to be considered further at the Commission's December 2022 meeting. Please see the attached submission instructions.

**ACCET Dropbox upload link:** <https://www.dropbox.com/request/owwNFFSirPC8ai6OKh25>

As a reminder, a \$500 late fee will be charged to an institution for the late submission of an Interim Report. Please see (page 6 of) ACCET Document 10 – Fee Schedule for additional information.

Further, while under a Show Cause directive, the institution is restricted from making any substantive changes, including, but not limited to, new programs, major program revisions, new branch campuses or other new sites, or relocations out of the general market area.

Should you have any questions or need further assistance, please contact the ACCET office at [info@accet.org](mailto:info@accet.org) or (202) 955-1113.

Sincerely,



Res Helfer  
Executive Director

RH/bh

Attachments: Interim Report Cover Sheet  
Interim Report Submission Instructions

cc: Mr. Herman Bounds, Chief, Accreditation Division, US ED ([aslrecordsmanager@ed.gov](mailto:aslrecordsmanager@ed.gov))  
Ms. Charity Helton, Accreditation Division, US ED ([charity.helton@ed.gov](mailto:charity.helton@ed.gov))  
Mr. James Hicks, Deputy Director for External Operations, SEVP ([james.d.hicks@ice.dhs.gov](mailto:james.d.hicks@ice.dhs.gov))  
Ms. Katherine H. Westerlund, Certification Chief, SEVP ([katherine.h.westerlund@ice.dhs.gov](mailto:katherine.h.westerlund@ice.dhs.gov))  
Ms. Rachel Canty, Director of External Operations, SEVP ([rachel.e.canty@ice.dhs.gov](mailto:rachel.e.canty@ice.dhs.gov))