

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Assessment and Accountability **NO.:** AAC 07-18
COMMITTEE DATE: April 12, 2007
BOARD DATE: April 19, 2007

MOVED: The Board of Higher Education hereby approves the Articles of Organization of **Le Cordon Bleu College of Culinary Arts, Inc.**, a Private Two-Year College, to award the **Associate in Applied Science in Le Cordon Bleu Culinary Arts**.

By January 31 of 2008, and of each year thereafter, Le Cordon Bleu shall submit an annual report to the Chancellor reviewing the status of the institution's degree-granting programs. In accordance with 610 CMR, 2.07 (5) the annual report should:

- a. evaluate the general quality of curricula, the faculty and the student body;
- b. provide statistical information on the number of students completing the requirements for the degree, job placement and/or transfer statistics, the financial status of the institution, operating costs and revenues;
- c. provide evidence that both degree authority and tuition and refund policies are clearly stated in the publicity of the institution; and
- d. certify whether, in fact, the institution's degree-granting programs are maintained and operated within the provisions and spirit of the criteria and guidelines set forth for proprietary institutions with degree-granting authority (including but not limited to data and information data regarding faculty workload, faculty governance and facilities, including flooring).

(In accordance with 2.06 (1) (b).1 for the first five years following initial licensure, Le Cordon Bleu shall forward along with this report the required annual fee.)

Prior to enrolling students in the degree programs, the College must meet the following condition:

- Submit the résumés or CVs of the Director of Education and the full-time faculty members to the Chancellor of the Board of Higher Education.

Authority: Massachusetts General Laws Chapter 69, Section 30 et seq.
Contact: Aundrea Kelley, Associate Vice Chancellor for Academic Policy

BOARD OF HIGHER EDUCATION

April 2007

Le Cordon Bleu College of Culinary Arts, Inc., A Private Two-Year College

Associate in Applied Science in Le Cordon Bleu Culinary Arts

INTENT

In May 2005, Le Cordon Bleu College of Culinary Arts, Inc., A Private Two-Year College, filed a completed petition to establish a private two-year college in Massachusetts and offer the Associate in Applied Science in Le Cordon Bleu Culinary Arts. The College's mission is to provide educational programs that prepare students for professional opportunities and career success in the international culinary industry by providing an individualized, hands-on education in the classic and modern culinary arts. The degree in Le Cordon Bleu Culinary Arts was developed in response to student interest and industry demands and aims to provide the theoretical foundation and technical skills necessary for success in the food service industry. Graduates are expected to have gained the background and expertise necessary to enter the food service industry in entry- to mid-level positions and to advance through a variety of related positions. Program graduates should be prepared to assume such positions as cook, apprentice chef, food and beverage manager, or kitchen manager in settings such as restaurants, hotels, schools, bakeries, resorts, and cruise ships.

LEADERSHIP, ADMINISTRATION, AND GOVERNANCE

Le Cordon Bleu is part of the Career Education Corporation family of institutions. In fall 2006 CEC-owned institutions enrolled 102,984 students worldwide, including 92,190 full-time and 10,794 part time students at 79 domestic (including three online) and 14 international institutions. Within the CEC family a range of programs are offered, including doctoral, master, baccalaureate, and associate degrees, as well as diploma and certificate programs. The CEC culinary arts division currently comprises 12 campuses.

The administration and governance of the proposed Massachusetts campus is structured to include a board of trustees; a local administrative team led by the president; linkage between the branch campus and the main campus in Pittsburgh, and corporate managerial oversight.

Le Cordon Bleu provided two organizational charts to depict the local organization of the branch campus and the operational linkage between the main and branch campuses. The first chart, entitled Le Cordon Bleu College of Culinary Arts, Inc., A Private, Two-Year College, presents the proposed organization of the branch campus.

In Massachusetts, the operating authority for the College tracks through Le Cordon Bleu College of Culinary Arts, Inc., a subsidiary established to comply with the Massachusetts Board of Higher Education requirement that a college in Massachusetts have degree-granting authority in its state of charter origin. Since Le Cordon Bleu College of Culinary Arts, Inc., Boston Campus, will receive its degree-granting authority from the Massachusetts Board of Higher Education, a Massachusetts subsidiary was required. The Massachusetts subsidiary is wholly owned by the Pennsylvania subsidiary, which is ultimately wholly owned by Career Education Corporation (CEC).

The Massachusetts Board of Higher Education requires that a college have a formal board of trustees. The board of trustees is shown on the chart immediately above the box showing the position of President.

The second chart, entitled Main-Branch Ownership and Operational Linkage, highlights the key points of responsibility between the Pennsylvania Culinary Institute (the main school) and the Boston Campus of Le Cordon Bleu College of Culinary Arts, Inc. (the branch school). At the ownership level, the two schools have a common corporate owner—Career Education Corporation (CEC)—the parent company. At the operating level, the two schools share a common operating subsidiary—Le Cordon Bleu Institute of Culinary Arts, Inc. (PA). The operating authority of Le Cordon Bleu Institute of Culinary Arts, Inc. (PA), for the main school, Pennsylvania Culinary Institute, is direct. Pennsylvania law permits the use of d/b/a names; therefore, Le Cordon Bleu Institute of Culinary Arts, Inc., operates in Pennsylvania under the institution's historic name—Pennsylvania Culinary Institute. Many main campus/branch campus relationships currently exist within the CEC family of schools. Each main/branch relationship is monitored; and if workload at a main campus is seen to rise significantly as a result of the branch campus(es), the main school is authorized to add an employee dedicated to the work brought about by the branch campus.

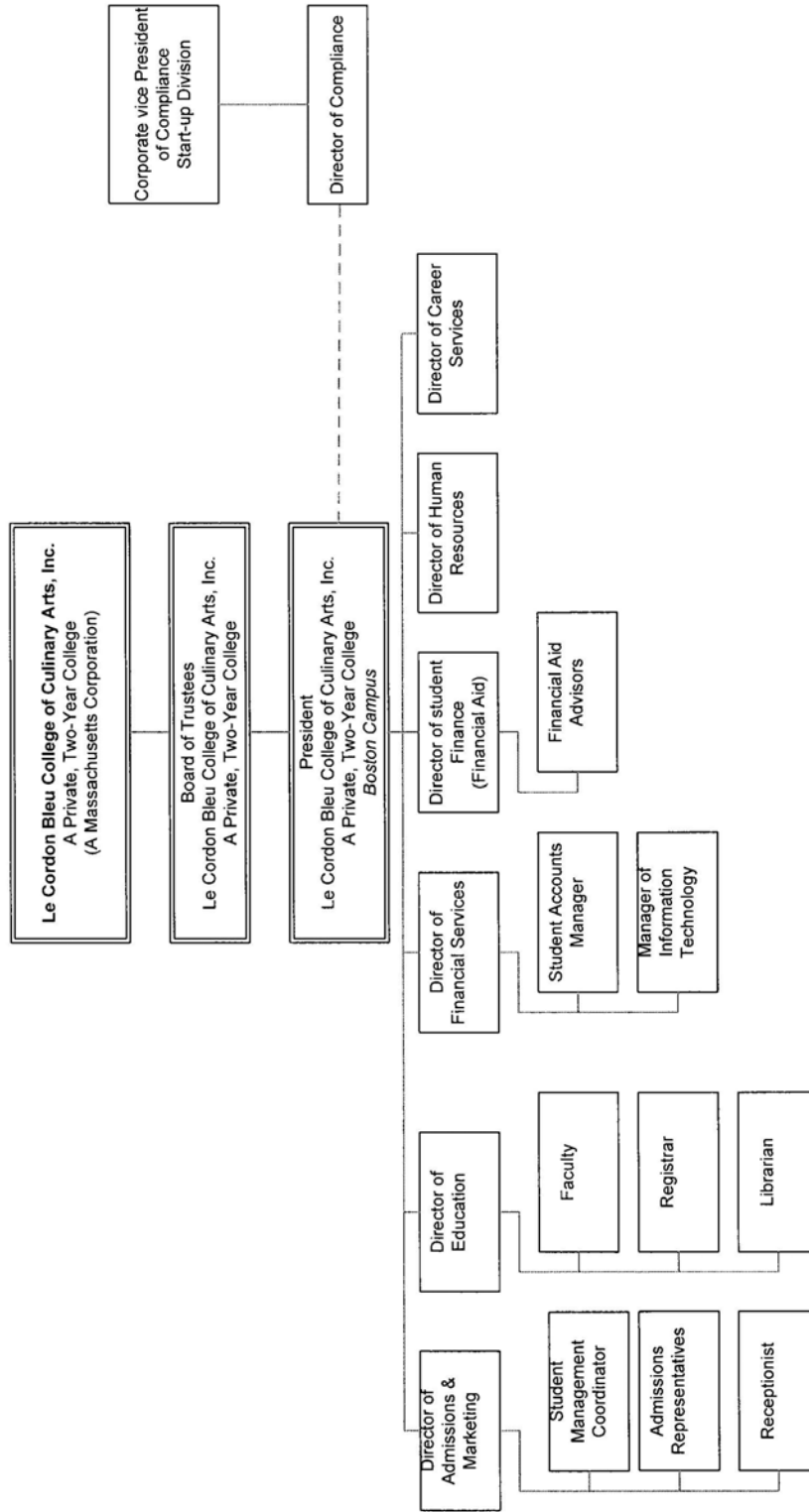
The parent corporation (CEC) will provide broad information technology support through its Campus2000 (C2K) institutional data system. C2K provides for all student and academic recordkeeping and contains an array of reports covering marketing and recruitment efforts, enrollment statistics, academic progress, graduation statistics, placement statistics, and financial reports that assist with governance and administration on the local, divisional, and corporate levels. Financial aid processing is also handled centrally by CEC.

Another area of linkage is through the student services and career services staff at the two campuses, including the provision of placement assistance to students and graduates as they pursue employment opportunities. The Vice President of Student Services from the main campus will mentor the student and career services officers from the Le Cordon Bleu campus in Boston. Student services and career services officers will also receive assistance through training, online job fairs, and other support from the corporate Career Services Office.

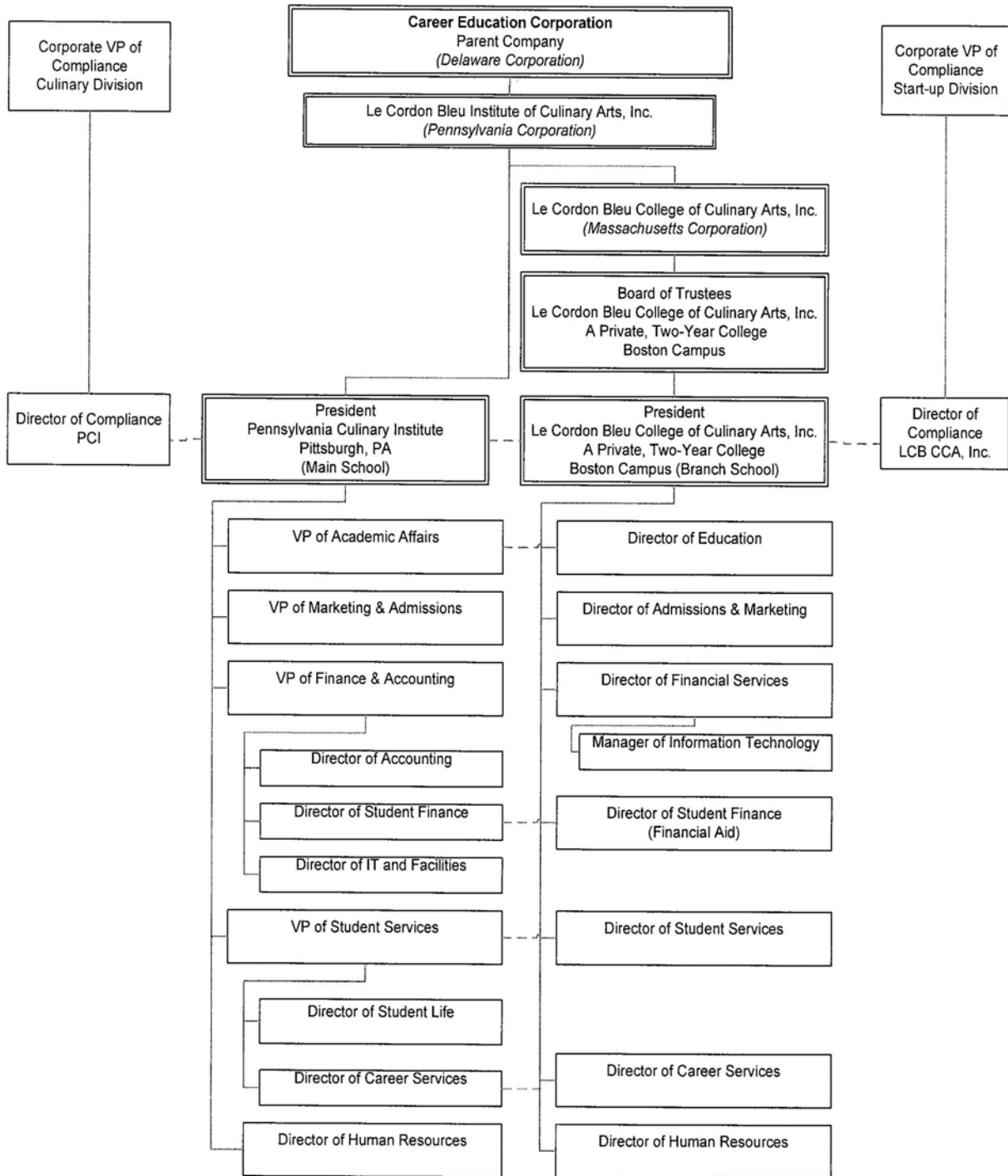
Le Cordon Bleu College of Culinary Arts, Inc.

A Private, Two-Year College
Boston Campus

Proposed Organization – Submitted May 2005/Resubmitted March 2007



Main-Branch Ownership and Operational Linkage



ACADEMIC AND RELATED MATTERS

Admissions Candidates for admission must have earned a high school diploma or its equivalent prior to matriculation to the Institute. In addition to the admissions application, applicants must submit high school transcripts, a \$100 application fee, and a signed enrollment agreement. The College aims to admit students who demonstrate an intense desire and commitment to become a professional chef and/or leader in the food industry. Students are expected to show a high degree of motivation and ambition, a positive attitude, love of cooking, and an energetic approach. To assist the College in making this determination, all applicants are required to complete a personal interview with an admissions representative, either in person or by telephone, depending upon the distance from the school. The personal interview also enables school administrators to convey the demands of the career, including the physical, intellectual, and artistic requirements needed for success.

Assessment and Placement Le Cordon Bleu assesses incoming students in reading comprehension, writing, and math to determine their readiness for college-level coursework using Accuplacer and Writeplacer. Students may be exempted from some parts of the assessment based on their ACT or SAT scores. Tutorial services will include both faculty tutoring and peer tutoring where appropriate.

Tuition Tuition for the proposed associate in arts program is \$35,000. Additional fees comprise the \$100 application fee; a graduation fee of \$200; and an estimated \$3,000 for textbooks, uniform, and equipment.

Enrollment In fall 2006 CEC-owned institutions enrolled 102,984 students worldwide, including 92,190 full-time and 10,794 part time students at 79 domestic (including three online) and 14 international institutions. Of the 93 total CEC institutions, there are 12 within the culinary division with enrollments as follows.

Fall 2006 Enrollment at All CEC-Owned Institutions

Full-time Students	92,190
Part-time Students	10,794
Total	102,984

Culinary Division Enrollment: Fall 2006

California Culinary Academy	1,293
California School of Culinary Arts	1,275
Le Cordon Bleu College of Culinary Arts Atlanta	799
Le Cordon Bleu College of Culinary Arts Las Vegas	616
Le Cordon Bleu College of Culinary Arts Miami	573
Le Cordon Bleu College of Culinary Arts Minneapolis/St. Paul	478
Orlando Culinary Academy	696
Pennsylvania Culinary Institute	744
Scottsdale Culinary Institute	1,052
Texas Culinary Academy	639
The Cooking and Hospitality Institute of Chicago	761
Western Culinary Institute	805
Total	9,731

The following list indicates the estimated enrollment for each student cohort from the initial group through the first graduation fifteen months later. The total estimated enrollment is 765 students—from the initial cohort through the first graduation from the proposed Boston campus.

The college plans to start a new cohort roughly every six weeks. Typically, a new cohort will start during the months of October, November, January, February, April, May, July and August.

- Cohort 1 60 Students
- Cohort 2 65 Students
- Cohort 3 60 Students
- Cohort 4 65 Students
- Cohort 5 60 Students
- Cohort 6 70 Students
- Cohort 7 65 Students
- Cohort 8 85 Students
- Cohort 9 75 Students
- Cohort 10 85 Students
- Cohort 11 75 Students

Curriculum (Attachment B) The proposed culinary arts curriculum was developed in partnership with Le Cordon Bleu Paris and comprises 22 courses delivered five hours per day, five days a week over a twelve-month period plus a three-month externship. The Associate in Applied Science in Le Cordon Bleu Culinary Arts requires the successful completion of 66 semester hours of credit earned in the required coursework and a cumulative grade point average (CGPA) of 2.0 or better on a 4.0 scale. Fifty semester hours of credit must be completed in residency at the College. The proposed program will be 60 instructional weeks in length with 16.5 semester hours of general education course work and the balance of 49.5 semester hours in required culinary concentration courses, including a twelve-week externship.

The proposed curriculum is competency-based, and the 450 specific culinary proficiencies are the same as those required at Le Cordon Bleu - Paris. As part of the program, students will learn classical cooking methods and the qualitative aspects of food preparation, including nutrition and sanitation. Laboratory sessions enable students to achieve proficiency by meeting the standards established by the curriculum and defined by experienced chef instructors. Students progress to preparing food in quantity and become involved in both the front and back of the house operations in an on-site restaurant. Emphasis is placed on timeliness, procedure, and organizational techniques, as well as on product quality. The curriculum allows students to learn about restaurant operations from a corporate level and then break down the various components to study in detail how they can be applied to any food service establishment. Students also study management theory, including the role of effective leadership in influencing their work environment.

RESOURCES

Fiscal Resources and Budget (Attachment C)

CEC will allocate corporate funding to cover real estate construction and related costs, equipment, initial personnel, and initial marketing and recruitment efforts. An operational budget for a new CEC branch campus typically projects that the campus will reach breakeven in the second year of operation. All deficits in the early months of operation of the proposed Boston campus are to be covered through corporate funding. A letter of corporate support from the Vice President of Finance for the Start-up Division and a four-year budget projection for the College are contained in Attachment C.

Faculty To lessen the burden on the proposed new branch campus, the CEC Start-Up Division will assign a start-up team to provide initial oversight and training to staff members. The Director of Education will be hired approximately four to six months prior to the proposed start of

classes and will have the responsibility of identifying a qualified faculty with sufficient members to carry out all proposed instruction. Appropriately qualified faculty members will be identified well before the start of classes and would typically be placed on contract approximately two months prior to the start of classes to provide an opportunity for orientation and training. Faculty at Le Cordon Bleu College of Culinary Arts, Inc., in Boston will participate in the governance process through the Faculty Council established by local campus faculty. Career Education corporation faculty and staff members receive professional development through corporately provided training, membership in professional associations, and through participation in accreditation-related workshops.

Library and Information Services Library resources for Le Cordon Bleu College of Culinary Arts will comprise a staffed on-site library and an electronic library. A Core Library Collection for culinary campuses has been developed by the CEC Corporate Librarian to include basic studies and culinary arts collections that include audiovisual resources and standard books. In addition to the on-site Core Library Collection, Career Education Corporation provides an Internet-based, electronic library known as the CECybrary. The CECybrary is available to all students, faculty, and staff members of all CEC-owned institutions. This “virtual library” contains a collection of full-text journals, books, and reference materials, links to Web sites relevant to each curricular area, and instructional guides for using electronic library resources. A full-time librarian located at corporate headquarters manages the CECybrary, and librarians at local CEC colleges participate in selecting the electronic resources and Web site links, and help prepare the instructional materials that are on the Web site.

Facilities and Equipment The proposed culinary arts campus is about 60,000 square feet in size. Forty thousand square feet are dedicated to instructional kitchens and classroom space, required dry and cold storage areas, and administrative and faculty office space. A 20,000 square foot space is allocated to a full-service, fine dining restaurant that is open to the public. The kitchens are designed for various functions—demonstration, skills development, introductory and advanced baking, meat and seafood fabrication, introductory and advanced garde manger, and the restaurant kitchen.

The proposed Boston area campus will also include lecture-style classrooms and computer labs, bookstore, student lounge, and administrative offices. The proposed location of Le Cordon Bleu College in Massachusetts is 215 First St., Cambridge, Massachusetts, where the College has leased space on the third and fourth floors. Le Cordon Bleu’s proposal contained a copy of the lease, along with architectural drawings depicting floor plans and space allocation, as well as equipment lists indicating the various types and brands for the kitchen/culinary related labs, computer lab, classroom, library, and other types of instructional equipment to be used throughout the facility.

EXTERNAL REVIEW

James Ostrow (team chair), Vice President for Academic Affairs and Professor of Sociology, Lasell College; Susan Sykes Hendee, Ph.D., CCE, Associate Professor, New York Institute of Technology, Center for Hospitality and Culinary Art; Kristine Ricker Choleva, Chair, Hospitality and Culinary Arts, Holyoke Community College; and Mark Andrews, Vice President of Administration, Northern Essex Community College, comprised the team of evaluators who visited Le Cordon Bleu College August 1-4, 2005. As the Massachusetts institution was not yet established, CEC requested that the team visit the Le Cordon Bleu campus in Nevada.

The Visiting Team commended the sound educational mission, organization of personnel, well-structured curricula, competent and committed faculty, student satisfaction, solid financial

foundation and planning, well maintained facilities and impressive library resources. The team also made several suggestions and recommendations, among them the need to:

- establish an independent trustee board for the Le Cordon Bleu Massachusetts institution and clarify proposed roles and relationships with the national corporate office and Pennsylvania campus,
- make the finalization of an appropriate faculty governance structure a priority following approval
- add culinary-specific software to campus lab computers
- introduce remedial coursework into its programming
- enhance general education course offerings to meet Board requirements, and
- ensure industry standard flooring safe material for kitchens (terra cotta tile)

Le Cordon Bleu submitted a detailed response that identified the many actions taken and planned to address recommendations and suggestions contained in the team report. Among the measures taken, the College had

- established a local board of trustees with four of the seven members not affiliated with CEC or the institution and depicted and defined local, inter-institutional and national roles and relationships. A list of Trustees is in Attachment E.
- described plans for faculty participation in governance, including establishment of such groups as the faculty council and faculty curriculum committee
- listed the titles of culinary-specific software to be loaded onto Boston campus computer labs
- added to its curriculum offerings non-credit remedial courses in English and mathematics
- increased general education offerings to meet the credit and distribution requirements of 610 CMR, and
- affirmed the institution's plans to install appropriate flooring as recommended by the team.

After reviewing the Le Cordon Bleu Institutional response to the team report, the visiting team recommended that the Le Cordon Bleu petition be granted approval.

PUBLIC HEARING

The required public hearing was held on November 28, 2005, at 10 a.m. in the Board of Higher Education's office. Although no comments were offered in opposition to the proposed program, the ownership corporation, Career Education Corporation, was under growth restrictions, pending a U.S. Department of Education investigation concerning CEC's administration of its Title IV programs. The U.S. Department of Education lifted these restrictions in January 2007. See Appendix D for a copy of the January 19, 2007, U.S. Department of Education letter to CEC.

STAFF ANALYSIS AND RECOMMENDATION

After a thorough evaluation of all documentation submitted, staff is satisfied that the proposed Le Cordon Bleu College of Culinary Arts, Inc., A Private Two-Year College, and the Associate in Applied Science in Le Cordon Bleu Culinary Arts meet the criteria set forth in 610 CMR2.07 in the *Degree-Granting Regulations for Independent Institutions of Higher Education*. Recommendation is for approval.

By January 31 of 2008, and of each year thereafter, Le Cordon Bleu shall submit an annual report to the Chancellor reviewing the status of the institution's degree-granting programs. In accordance with 610 CMR, 2.07 (5) the annual report should:

- a. evaluate the general quality of curricula, the faculty and the student body;
- b. provide statistical information on the number of students completing the requirements for the degree, job placement and/or transfer statistics, the financial status of the institution, operating costs and revenues;
- c. provide evidence that both degree authority and tuition and refund policies are clearly stated in the publicity of the institution; and
- d. certify whether, in fact, the institution's degree-granting programs are maintained and operated within the provisions and spirit of the criteria and guidelines set forth for proprietary institutions with degree-granting authority (including but not limited to data and information data regarding faculty workload, faculty governance and facilities, including flooring).

(In accordance with 2.06 (1) (b).1 for the first five years following initial licensure, Le Cordon Bleu shall forward, along with this report, the required annual fee).

Prior to enrolling students in the degree programs, the College must meet the following condition:

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ATTACHMENT A



**Schools Owned by CEC
Organized by Division
As of 1/26/07**

University Division	
American InterContinental University	Atlanta, GA (Buckhead)
American InterContinental University	Atlanta, GA (Dunwoody)
American InterContinental University	Houston, TX
American InterContinental University	London, England
American InterContinental University	Los Angeles, CA
American InterContinental University	Weston, FL
American InterContinental University Online	Hoffman Estates, IL
Colorado Technical University	Colorado Springs, CO
Colorado Technical University	Denver, CO
Colorado Technical University	North Kansas City, MO
Colorado Technical University	Sioux Falls, SD
Colorado Technical University Online	Colorado Springs, CO
StoneCliffe College Online (an academic division of Colorado Technical Univ.)	Colorado Springs, CO
Briarcliffe College	Bethpage and Patchogue, NY
Art & Design Division	
Brooks Institute of Photography	Santa Barbara and Ventura, CA
Brown College	Mendota Heights and Brooklyn Center, MN
Collins College	Tempe, AZ
Harrington College of Design	Chicago, IL
International Academy of Design & Technology	Chicago, IL
International Academy of Design & Technology	Henderson, NV
International Academy of Design & Technology	Nashville, TN
International Academy of Design & Technology	Orlando, FL
International Academy of Design & Technology	Pittsburgh, PA
International Academy of Design & Technology	Sacramento, CA (opening Spring 2007)
International Academy of Design & Technology	San Antonio, TX (opening Spring 2007)
International Academy of Design & Technology	Seattle, WA
International Academy of Design & Technology	Schaumburg, IL
International Academy of Design & Technology	Tampa, FL
International Academy of Design & Technology	Toronto, Canada
International Academy of Design & Technology	Troy, MI

Culinary Division	
California Culinary Academy	San Francisco, CA
California School of Culinary Arts	Pasadena, CA
Le Cordon Bleu College of Culinary Arts Atlanta	Atlanta, GA
Le Cordon Bleu College of Culinary Arts Las Vegas	Las Vegas, NV
Le Cordon Bleu College of Culinary Arts Miami	Miramar, FL
Le Cordon Bleu College of Culinary Arts Minneapolis/St. Paul	Mendota Heights, MN
McIntosh College/Le Cordon Bleu Culinary Arts Program	Dover, NH
Orlando Culinary Academy	Orlando, FL
Pennsylvania Culinary Institute	Pittsburgh, PA
Scottsdale Culinary Institute	Scottsdale, AZ
Texas Culinary Academy	Austin, TX
The Cooking and Hospitality Institute of Chicago	Chicago, IL
Western Culinary Institute	Portland, OR
Kitchen Academy (certificate program, not Le Cordon Bleu affiliated)	Hollywood, CA
Health Education Division	
Missouri College	St. Louis, MO
Sanford-Brown College	Collinsville, IL
Sanford-Brown College	Fenton, MO
Sanford-Brown College	Hazelwood, MO
Sanford-Brown College	St. Peters, MO
Sanford-Brown College	West Allis, WI
Sanford-Brown Institute	Atlanta, GA
Sanford-Brown Institute	Dallas, TX
Sanford-Brown Institute	Garden City, NY
Sanford-Brown Institute	Houston (North Loop), TX
Sanford-Brown Institute	Houston, TX
Sanford-Brown Institute	Iselin, NJ
Sanford-Brown Institute	Jacksonville, FL
Sanford-Brown Institute	Landover, MD
Sanford-Brown Institute	Ft. Lauderdale, FL
Sanford-Brown Institute	Middleburg Heights, OH
Sanford-Brown Institute	New York, NY
Sanford-Brown Institute	Springfield, MA (in teach out)
Sanford-Brown Institute	Tampa, FL
Sanford-Brown Institute	Trevese, PA
Sanford-Brown Institute	White Plains, NY
Western School of Health and Business Careers	Monroeville, PA
Western School of Health and Business Careers	Pittsburgh, PA

Gibbs Schools Group	
Gibbs College	Cranston, RI
Gibbs College	Livingston, NJ
Gibbs College	Norwalk and Farmington, CT
Gibbs College	Vienna, VA
Gibbs College of Boston, Inc., a private two-year college	Boston, MA
Katharine Gibbs School	Melville, NY
Katharine Gibbs School	New York, NY
Katharine Gibbs School	Norristown, PA
Katharine Gibbs School	Piscataway, NJ
<i>Other Schools Currently in This Group</i>	
Brooks College	Long Beach and Sunnyvale, CA
Lehigh Valley College	Center Valley, PA
McIntosh College	Dover, NH
International Schools	
American University of Dubai	Dubai, United Arab Emirates
CEFIRE – École de Commerce	Paris, France
ECE Bordeaux – École de Commerce Européene	Bordeaux, France
ECE Lyon – École de Commerce Européene	Lyon, France
INSEEC Bordeaux – Grande École de Commerce	Bordeaux, France
INSEEC Paris – Grande École de Commerce	Paris, France
Instituto Marangoni – (specializes in design and fashion)	London, England
Instituto Marangoni – (specializes in design and fashion)	Milan, Italy
Instituto Marangoni -- (specializes in design and fashion)	Paris, France
MBA Institute	Paris, France
Paris International Business School	Paris, France
SoftTrain College	Toronto, Canada
Sup de Pub – La Grande École de Publicité & Communication	Paris, France
Sup Santé – École Médicales et Paramédicales	Paris and Lyon, France

ATTACHMENT B - CURRICULUM OUTLINE

Length in Weeks											60		
Please Enter Clock/Credit Conversions Rates							One Credit Hour of Classroom Lecture =		15	Clock Hours			
Semester Credits:			X	< Enter an "X" in the < appropriate box.				One Credit Hour of Lab =		30	Clock Hours		
Quarter Credits:								One Credit Hour of Externship =		45	Clock Hours		
Block	Course #	Course Titles	TTL HRS	TTL Days	Clock Hours				Credit Hours			Total Credits*	
					Classroom Lecture	Lab Kitchen	Externship Internship	Notes	Classroom Lecture	Lab	Externship		
A	CUL 110	Introduction to Culinary Skills I	75	15	25	50			1.6666667	1.6666667	0	3	
	CUL 115	Food Science	37.5	15	37.5				2.5	0	0	2.5	
	COM 101	Public Speaking	37.5	15	37.5				2.5	0	0	2.5	
B	CUL 120	Introduction to Culinary Skills II	75	15	25	50			1.6666667	1.6666667	0	3	
	BUS 110	Hospitality Supervision	15	15	15				1	0	0	1	
	ENG 120	English Composition	60	15	60				4	0	0	4	
C	BKG 110	Introduction to Baking and Pastry	75	15	25	50			1.6666667	1.6666667	0	3	
	MTH 101	College Math	37.5	15	37.5				2.5	0	0	2.5	
	ART 101	Art Appreciation	37.5	15	37.5				2.5	0	0	2.5	
D	CUL 160	Introduction to Garde Manger	75	15	25	50			1.6666667	1.6666667	0	3	
	LNG 225	Introduction to French Language & Culture	37.5	15	37.5				2.5	0	0	2.5	
	SOC 221	Cultural Diversity	37.5	15	37.5				2.5	0	0	2.5	
E	CUL 181	Meat & Seafood Identification & Fabrication	75	15	25	50			1.6666667	1.6666667	0	3	
	CUL 123	Wine and Beverage	37.5	15	37.5				2.5	0	0	2.5	
	BUS 210	Food and Beverage Cost Control	37.5	15	37.5				2.5	0	0	2.5	
F	BKG 210	Advanced Baking and Pastry	75	15	25	50			1.6666667	1.6666667	0	3	
	CUL 260	Advanced Garde Manger	75	15	25	50			1.6666667	1.6666667	0	3	
G	CUL 180	American Regional Cuisine	75	15	25	50			1.6666667	1.6666667	0	3	
	CUL 182	International Cuisine	75	15	25	50			1.6666667	1.6666667	0	3	
H	CUL 290	Restaurant Guest Service	75	15	25	50			1.6666667	1.6666667	0	3	
	CUL 295	Restaurant Practical	75	15	25	50			1.6666667	1.6666667	0	3	
I	EXT 210	Externship	360					360	0	0	8	8	
Column Totals			1560		650	550	360	0	43.3333333	18.3333333	8	66	

6 General education courses; 16 required concentration courses.

*Credit hours rounded down in 3-credit courses.

Blocks A through H are each 6 weeks length; Block I is 12 weeks in length.

English/Humanities	11.5 credits
Math/Science	2.5 credits
Social Science	2.5 credits
Total	16.5 credits

Total Credits	66
General Education Credits	16.5
Culinary Concentration Credits	49.5

General Education Categories	Humanities (includes English, Literature, Communication, Philosophy, Aesthetics/Fine Arts, and Foreign Language courses)
	Math/Science (includes Mathematics, Natural and Biological Sciences courses)
	Social Science (includes History, Behavioral Science, Economics, Political Science, and Human Diversity courses)

Revised: September 23, 2005

ATTACHMENT C - CORPORATE LETTER OF SUPPORT AND **BUDGET** PROJECTION
LETTER OF SUPPORT



February 25, 2007

Re: Le Cordon Bleu college of Culinary Arts inc., A private Two-Year College – Boston Campus.

To Whom It May Concern:

Please find attached a detailed financial plan for the Le Cordon Bleu college of Culinary Arts inc., A private Two-Year College – Boston Campus produced as part of the 2007 budget process. As can be seen from the attachment, Career Education Corporation (CEC) is planning to invest a significant amount of resources in the Boston Campus. Operating losses of (\$3.3m) and (\$450k) are projected for the calendar years' 2007 and 2008. It should also be noted that the construction of the campus is anticipated to cost an additional \$15m. This is in line with the CEC standard operating model for the culinary college start-up campuses.

You will note from the enclosed annual report that CEC continues to maintain an extremely strong balance sheet position and as such can absorb the initial investment in Start-Up campuses. CEC has shown its dedication to growing through campus start-ups by the creation, in 2002, of a dedicated division to oversee all new start-up campuses. It is anticipated that five new campuses will be opened in 2007.

Should there be a need to evaluate the attached projections in more detail, please contact me directly at 847 585 2628.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom McNamara", followed by a horizontal line extending to the right.

Thomas A. McNamara, C.A, MBS
Vice President Managing Director
CEC : Start-Up Division

ATTACHMENT C (continued)

CAREER EDUCATION CORPORATION

2/23/2007

**Five Year Projection – (October 07 first start date)
Le Cordon Bleu College of Culinary Arts, Inc., A Private, Two-
Year College**

Boston Campus

	2007 Projection		2008 Projection		2009 Projection		2010 Projection		2011 Projection	
FINANCIAL SUMMARY										
Gross School Revenue	\$338,000		\$9,018,360		\$19,889,415		\$25,012,089		\$32,433,285	
Operating Expenses:	% of Revenue		% of Revenue		% of Revenue		% of Revenue		% of Revenue	
Academic	297,440	88.0%	2,074,223	23.0%	4,176,777	21.0%	5,002,418	20.0%	6,486,657	20.0%
Administrative	441,263	130.6%	1,352,754	15.0%	2,386,730	12.0%	3,001,451	12.0%	3,891,994	12.0%
Admissions	392,055	116.0%	1,172,387	13.0%	2,187,836	11.0%	2,251,088	9.0%	2,918,996	9.0%
Advertising	505,631	149.6%	1,262,570	14.0%	2,585,624	13.0%	3,001,451	12.0%	3,891,994	12.0%
Bad Debt Expense	8,450	2.5%	180,367	2.0%	596,682	3.0%	750,363	3.0%	972,999	3.0%
Management Fee Expense	20,280	6.0%	541,102	6.0%	1,193,365	6.0%	1,500,725	6.0%	1,945,997	6.0%
Depreciation	171,721	50.8%	811,652	9.0%	1,193,365	6.0%	1,250,604	5.0%	1,621,664	5.0%
Occupancy Expenses	1,836,522	543.3%	2,074,223	23.0%	2,386,730	12.0%	2,577,668	8.0%	2,783,882	8.6%
Total Expenses	\$3,673,362	1086.8%	\$9,469,278	105.0%	\$16,707,109	84.0%	\$19,335,768	77.3%	\$24,514,183	75.6%
Operating Profit (Loss) Before OA	(3,335,362)	-986.8%	(450,918)	-5.0%	3,182,306	16.0%	5,676,321	22.7%	7,919,102	24.4%
Less State income Tax	(316,859)		(42,837)		302,319		539,251		752,315	
Less Federal Income Tax	(1,167,377)		(157,821)		1,113,807		1,986,712		2,771,686	
Net Income after Taxes	\$(1,851,126)	-547.7%	\$(250,259)	-2.8%	\$1,766,180	8.9%	\$3,150,358	12.6%	\$4,395,102	13.6%
0.35										
Number of Fulltime employees at year end	50		80		105		125		130	
Number of Parttime employees at year end	6		8		10		16		28	
Total	56		88		115		141		158	

ATTACHMENT D – US DEPT OF EDUCATION 1/19/07 LETTER TO CEC



January 19, 2007

Mr. Robert Dowdell
President and Chief Executive Officer
Career Education Corporation
Hoffman Estates, Illinois 60195-5258

Dear Mr. Dowdell,

This letter serves to follow up on my December 29, 2006 letter to you in which I indicated that the Department of Education (Department) would make a decision in January 2007 regarding the growth restrictions it imposed on Career Education Corporation (CEC) in June 2005.

As you know, these growth restrictions were imposed and maintained due to CEC's documented failure to comply with certain regulatory requirements pursuant to Title IV of the Higher Education Act of 1965, 20 U.S.C. §§ 1070 et seq., as well as other matters brought to the Department's attention by other agencies. The Department was committed to the continuation of these growth restrictions until it could reasonably anticipate that Title IV funds would be properly safeguarded if CEC were allowed to expand its operations. Consequently, program reviews were conducted at a number of CEC's schools to assess CEC's overall administration of the Title IV programs. Based on the preliminary results of these reviews, the Department has concluded that the continuation of the corporate-wide growth restrictions is unnecessary at this time. As a result, CEC is hereby advised that the growth restrictions enforced against it since June 21, 2005 are hereby removed, and any subsequent requests by CEC to expand its operations will be considered under the Department's standard operating procedures.

However, this rescission of the growth restrictions should not be construed to suggest that the Department has concluded that CEC does not have any Title IV compliance issues, nor that the Department will cease the program reviews that are currently scheduled or in process. On the contrary, the Department is aware that certain CEC schools continue to experience problems with Title IV compliance. The Department will

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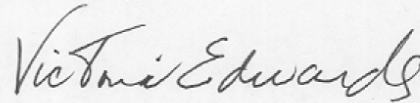
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Mr. Robert Dowdell
Page 2

assess the entirety of its findings to ensure that appropriate action is taken. The Department will likewise investigate any additional matters that it discovers during its reviews or that are otherwise brought to its attention.

Please contact me if you have any questions concerning this letter.

Respectfully,

A handwritten signature in cursive script that reads "Victoria Edwards".

Victoria Edwards
Program Compliance Officer

cc: Robin Minor
Douglas Parrott

ATTACHMENT E – TRUSTEE LIST

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