

B. Regular Vocational and Degree-Granting License Renewal Application: Everest College, all locations. Representing the institution: Todd McDonald, Phoenix Campus President, Marilyn Clute, CEO and Elaine Raker, Regulatory Affairs

Ms. Stanfill stated that Everest College, all locations, was seeking renewal of the 2013 Regular Vocational Program and Degree-Granting Program License Renewal and were referred to the State Board because of the previous HLC actions and the required reporting by the State Board.

Ms. Stanfill explained that in December 2012, the Institutional Actions Council of HLC affirmed the findings of the Advisory Committee and acted to continue the required reporting and the addition of two reports.

Ms. Miller asked for clarification if Everest College was on quarterly reporting. Ms. Stanfill responded that Everest is required to provide the State Board copies of the HLC quarterly reports, a summary and State Board specific reports, which have been a part of the Executive Director's Report. But, Everest College had not been required to submit to quarterly, financial reporting by the State Board.

Mr. McDonald responded to the questions of the Board members regarding the current status of the institution and that HCL will be conducting the comprehensive visit for renewal of accreditation in the Fall of 2013. Mr. McDonald stated that Everest has made good progress.

Action: Dr. Damore made the motion to approve Regular Vocational Program and Regular Degree-Granting Program License Renewals with the following stipulations: 1. Continue to provide a copy of the quarterly reports submitted to HLC; a summary of the quarterly report and retention and placement data based upon a 12-month trailing period; 2. A copy of the two additional reports required by HLC that are due on March 3, 2013 (*A report demonstrating that the College has updated publicly available information regarding student loan debt to provide clear information more in line with common practice in higher education; *A report that outlines College's plan to assure the Commission that faculty members have appropriate credentials, financial aid representatives and admissions have a college degree; the resources supporting the academic program are appropriate and the College is examining its admissions function and academic program to improve default rates). Mr. Walser seconded the motion and the motion carried.

C. Regular Vocational Program and Regular Degree-Granting License Renewal Application: Le Cordon Bleu College of Culinary Arts. Represented by Elaine Hedgecoke, Regulatory Affairs.

Ms. Stanfill stated that the renewal for Le Cordon Bleu College of Culinary Arts (LCB) has been referred to the State Board because of the open #12-NS508 Complaint. Ms. Stanfill explains that the State Board opened complaint #12-NS508 when ACCSC issued a Show-Cause Order for 10 of the CEC schools, one of which was LCB. In December 2012, ACCSC vacated the Show Cause Order for 7 of the 10 schools, to include LCB, but that a Student Achievement Outcomes Report, with a July 2013 report date, is required.

Mr. Walser expressed his concern regarding the financial position of the institution and suggested that LCB be required to submit to quarterly reporting.

Action: Mr. Tharp made the motion to approve the 2013 Regular Vocational Program and Degree-Granting License Renewals with the stipulation that LCB provide a copy of the Student Achievement Report to the State Board and to submit to quarterly reporting. Mr. Waiser seconded the motion and requested the motion be amended to include quarterly reporting. The motion was amended and carried. Ms. Hedgecoke agreed to the stipulations.

D. Regular Vocational Program License Renewal: Performance Training Institute
Represented by Michael Rooney, attorney

Ms. Stanfill summarized the Board Report and explained that she received an email from Ms. Gibson on January 10, 2012 that "PTI closed its campus in Toms River as of January 1 because of no enrollments at the campus. PTI will continue to teach-out students enrolled in its online program through its facilities in Arizona, as we search for a teach-out partner to which the students could transfer or which would teach out our students using the PTI curriculum."

Mr. Rooney addressed the Board. Mr. Rooney explained that PTI has not had any new enrollments as a result of the ACCSC Probation Order and that there are 260 currently enrolled students. Mr. Rooney also stated that Mieke Gibson was no longer with PTI and that Diablo Management would be facilitating the closure and that they are in negotiations with Daytona College in Florida to teach-out the students.

Ms. Stanfill stated that expired PTI license would remain in effect during the teach-out of the PTI students and if an agreement was reached with Daytona College, PTI could then relinquish the license.

Action: Mr. Tharp made the motion to defer action on the 2013 License Renewal. Dr. Damore seconded the motion and the motion carried.

E. Regular Vocational Program License Renewal: Phoenix Computer Academy
Represented by Aparna Gupta and Dr. Gupta

Ms. Stanfill reported that the 2013 Regular Vocational Program License Renewal was reviewed by staff and that staff had concerns regarding the financial position and of the institution and referred the renewal to the Finance Committee. The Finance Committee, after consideration of the renewal at their meeting on December 11, 2012, determined to refer the PCA's renewal to the State Board with the recommendations that PCA post a \$40,000 Surety bond and submit to quarterly reporting.

Ms. Gupta addressed the State Board and expressed their concern that the Finance Committee had concerns regarding their financial position of PCA. Ms. Gupta emphasized that PCA has been in business for 11 years and is financially stable.

Mr. Waiser explained the Finance Committee's concerns.

Action: Mr. Waiser made the motion to approved the Regular Vocational Program License Renewal with the stipulations that a \$40,000 Surety Bond be posted and to submit to quarterly

reporting. Dr. Damore seconded the motion and the motion carried. Ms. Gupta agreed to the stipulations.

F. Supplemental License Application for a Change of Ownership: CollegeAmerica, Flagstaff and Phoenix Campuses. Represented by Eric Juhlin, CEO by phone and Cindy Smith, Phoenix Campus Director

Ms. Stanfill summarized the Report and explained the \$179,041 Surety Bond and that CollegeAmerica was requesting the Surety Bond requirement be waived.

Mr. Walser was lead. Mr. Juhlin explained the previous ownership structure and the new structure with the new non-profit corporation. Mr. Walser asked Mr. Juhlin for further explanation regarding the transaction and the debt carried by the shareholder. Mr. Juhlin responded.

Mr. Juhlin further stated there were no other changes in the operations of the institutions as a result of the change of ownership.

Ms. Leonard noted two revisions were required on Refund policy.

Action: Mr. Walser made the motion to approve the Change of Ownership with the stipulation that the required revisions be made to the Refund policy. Mr. Tharp seconded the motion and the motion carried. Mr. Juhlin agreed to make the revisions.

G. Regular Degree-Granting License Application: Trine University
Represented by David Wood, Assistant Vice President of Academic Affairs

Ms. Stanfill stated that Arizona location will be an additional location of Trine University's Angola, Indiana campus and that Trine University was recruited by the City of Peoria.

Dr. Damore was lead. Dr. Damore had questions regarding accreditation and the website.

Mr. Wood responded to Dr. Damore's questions.

Action: Dr. Damore made the motion to approve the Regular Degree-Granting License for Trine University. Mr. Tharp seconded the motion and the motion carried.

V. CALL TO THE PUBLIC: No one came forward

VI. BOARD BUSINESS

A. Executive Director's Report

Ms. Stanfill stated there have been several closures.

Ms. Stanfill stated the State Board needed to re-consider the membership of the Rules Committee since Dr. Noone is no longer with the State Board. Mr. Tharp made the motion that

the membership of the Rules Committee be Mr. Pistillo, Ms. Leonard, Ms. Miller and that Mr. Walser will be an alternate member. Dr. Damore seconded the motion and the motion carried.

B. Election of Chairman and Vice Chairman

Ms. Miller called for nominations. Ms. Miller nominated Mr. Pistillo as Chairman. Ms. Stanfill stated she believed Mr. Pistillo would accept the nomination. Dr. Damore seconds the motion and the motion carried.

Mr. Tharp made the motion to nominate Ms. Miller as Vice Chair. Mr. Walser seconds the motion and the motion carried.

C. Election of the Members of the Complaint Committee and Finance Committee.

After discussion and agreement, Ms. Miller appointed the Complaint Committee as follows: Mr. Tharp as Chairman, Dr. Damore, Ms. Leonard as members, Dr. Radda as an alternate member.

After discussion and agreement, Ms. Miller appointed the Finance Committee as follows: Mr. Walser as Chairman, Mr. Pistillo and Ms. Miller, members.

VI. ADJOURNMENT

The meeting of the Arizona State Board for Private Postsecondary Education adjourned at 11:42 a.m.

The Minutes of the January 24, 2013 Board meeting were approved at the February 28, 2013 meeting.


Teri Stanfill, Executive Director