

ARIZONA STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION  
1400 W. WASHINGTON ST., CONFERENCE ROOM B1  
PHOENIX, AZ 85007

**BOARD MEETING MINUTES**  
**APRIL 26, 2012**

Members Present: KC Miller, Chair  
Gary Damore Trish Leonard  
Jason Pistillo Glen Tharp

Also present: Teri Stanfill, Executive Director  
Jeanne Galvin, Assistant Attorney General  
Keith Blanchard, Deputy Director  
Cassandra Piñon, Program Specialist

**I. CALL TO ORDER**

KC Miller, acting Chair, called the meeting to order at 10:05 a.m.

**II. OPEN MEETING LAW TRAINING**

Assistant Attorney General Nancy Beck provided the Board a special session on the Open Meeting Law. Ms. Beck provided a hand-out to the Board. Ms. Beck explained Executive Sessions, consequences for violating open meeting law, quorums, conflict of interests, appearance of impropriety, email communications and *ex parte* communication.

**III. BOARD MEETING MINUTES: FEBRUARY 23, 2012 REGULAR MEETING MINUTES**

Mr. Tharp made a motion to approve the minutes as submitted. Mr. Pistillo seconded the motion and the motion carried.

**IV. Student Tuition Recovery Fund Claim: Request for Rehearing/Review of the October 27, 2011 Board's Decision to Deny the STRF Claim filed by CC against Mobile Dynamics**

Due to technical difficulties, claimant CC was unable to participate and requested the matter be postponed until May.

Dr. Damore made a motion to defer this matter until the May meeting. Ms. Leonard seconded the motion and the motion carried.

**V. Pima Medical Institute: Request for Rehearing/Review regarding Complaint #12-S007. Represented by Thomas Cope, attorney and Kristen Torres**

Mr. Cope addressed the Board. Mr. Cope stated that Pima Medical Institute (Pima) disagreed with the January 26, 2012 decision of the Board and is requesting a rehearing. Mr. Cope stated the Board's decision in effect, would require a private employer to enforce the immigration laws. Mr. Cope also stated that it was Pima's position that the Volants' have filed a complaint on behalf of student A.V. and that AV has not filed as the complainant.

Mr. Tharp clarified that the Board's decision was based upon alleged misleading advertising, solicitation or recruitment practices, not A.V.'s immigration status and ability to obtain employment.

Mr. Tharp made a motion to go into Executive Session to obtain legal advice. Mr. Pistillo seconded the motion and the motion carried.

Regular Meeting Adjourns at 10:46 a.m.  
Executive Session begins at 10:50 a.m.  
Executive Session ends 11:00 a.m.  
Regular Meeting resumes at 11:05 a.m.

Mr. Tharp stated that Pima's Motion for Rehearing or Review does not reference the Board's specific rule, R439-503(C), in order for the Board to consider the motion. In response to Mr. Cope's earlier remark that A.V. was not the complainant, Mr. Tharp clarified that AV had signed the complaint.

**Action:** Mr. Tharp requested Mr. Cope re-file Pima's motion and to specifically cite the rule as the basis of the motion for rehearing or review. Dr. Damore seconded the motion and the motion passed.

## **VI. LICENSING:**

### **A. Conditional to Regular Vocational Program License Renewals**

#### **1. Authentic Yoga Teacher Training: Represented by Cheryl Oliver**

Ms. Miller requested Mrs. Oliver give a brief update on the school during the last year. Mrs. Oliver responded the school had 16 students and has not had to do a lot of advertising.

Ms. Leonard noted that on page 4 of the catalog, the refund before the beginning of classes does not clearly state the \$200 administration fee is not refunded after the 3-day cancellation notice.

**Action:** Ms. Miller made a motion to approve the Conditional to Regular Vocational Program License renewal with the following stipulations:

- Maintain the \$15,000 Surety Bond;

- Catalog, page 5: revise the statement that the \$200 administrative/registration fee is not refunded “after the 3-day cancellation period” prior to the start date of the program.

Mr. Tharp seconded the motion and the motion passed. Mrs. Oliver agreed to the stipulations.

**2. Gilbert Yoga:** Represented by Cassandra Wallick

Ms. Leonard requested Ms. Wallick to provide an update on the school during the first year of licensure. Ms. Wallick responded that the school has trained 11 students and also has not had to do a lot of advertising.

Ms. Leonard made a motion to approve the Conditional to Regular Vocational Program License Renewal with the stipulation that the \$15,000 Surety Bond be maintained. Dr. Damore seconded the motion and the motion carried. Ms. Wallick agreed to the stipulation.

**3. Inspection Training of Arizona:** Represented by Ken Smith

Ms. Miller requested Mr. Smith to provide an update on the school during the first year of licensure. Mr. Smith responded that he has trained 6 students to date.

**Action:** Ms. Miller made a motion to approve the Conditional to Regular Vocational Program License renewal with the stipulation that the \$15,000 Surety Bond be maintained. Ms. Leonard seconded the motion and the motion carried. Mr. Smith agreed to the stipulation.

**4. Schmidtke School of Dental Assisting:** Represented by Cassandra Mull

Ms. Leonard requested Ms. Mull to provide an update on the school during the first year of licensure. Ms. Mull responded that they have trained 8 students. Ms. Miller asked about the internship. Ms. Mull responded the students’ internship will be at their dental offices or another dentist. Ms. Leonard stated the school needed to clarify the use of “semester” or “quarter” as a clock hour school in the catalog and suggested use of the word “term”.

**Action:** Ms. Leonard made the motion to approve the Conditional to Regular Vocational Program License Renewal with the following stipulations:

- Maintain the \$15,000 Surety Bond;
- Catalog: replace references to “semester” or “quarter” to “term”.

Mr. Tharp seconded the motion and the motion passed. Ms. Mull agreed to the stipulations.

**B. Regular Degree-Granting License Renewal/Complaint #11-S011: Arizona School of Acupuncture and Oriental Medicine.** Represented by Dr. David Epley

Ms. Stanfill stated that Arizona School of Acupuncture and Oriental Medicine (ASAOM) is seeking renewal of the 2012 Regular Degree-Granting and Vocational Program License Renewal. The renewal has been scheduled for the Board's review as a result of Complaint #11-S011.

The Complaint Committee considered the Complaint at its meetings in June 2011 and March 22, 2012. At the March 2012 meeting, the Committee determined to forward the Complaint to the Board for further review and action. A copy of Mr. Blanchard's Investigative Report dated March 22, 2012 and an updated Report following the submission of additional information and an on-site visit are attached.

At this time, the Board is to review and take action on the 2012 License Renewal and Complaint. The License Renewal/Financial Statements/Complaint indicate that ASAOM has/is experiencing difficulty during the last year or two. Dr. David Epley, founder and owner of ASAOM retired as CEO/President in September 2008. Michael Prater assumed the President/CEO duties at that time, but was terminated in July 2011. Dr. Epley again assumed the duties as President/CEO at that time.

Mr. Blanchard stated that the Complaint Committee referred the Complaint to the full Board for further review and requested the school provide the following information:

1. Current organizational chart;
2. Student evaluations;
3. Plan of action to address the ACAOM concerns;
4. Staff conduct an on-site visit.

Mr. Blanchard conducted the on-site visit and met with Dr. Epley, a number of new staff members, toured the facility and met with some of the students. Student evaluations were given to the school and staff received and review the student evaluations. Mr. Blanchard's report summarized some of the student's concerns.

Mr. Tharp stated his concern regarding the findings/areas for development cited by ACAOM, yet ACAOM granted the institution a 5-year grant of accreditation.

Dr. Epley addressed the Board and explained what had occurred at the institution in the past. Dr. Epley explained he has returned as the CEO and President and extensive changes have taken place for improvement. Dr. Epley did express their disagreement with many of the findings by ACAOM but determined to use their concerns for improvement.

Ms. Leonard stated the "Plan of Action" is good, but encourages the school to ensure the plan is implemented.

**Action:** Ms. Leonard make the motion that Complaint #11-NS011 remain open for continued monitoring; provide a progress report by October 1, 2012 to verify implementation of the Plan of Action and provide student evaluations for the Board's review at the October 26, 2012 Board meeting. Mr. Tharp seconded the motion and the motion carried.

**Action:** Mr. Tharp made a motion to approve the Regular Vocational and Degree-Granting License Renewal with the stipulations that the \$20,000 Surety bond be maintained and to comply with the requirements regarding the Complaint. Dr. Damore seconded the motion and the motion carried.

**C. Provisional Degree-Granting and Regular Vocational Program License Renewal: Chandler University.** Represented by Steve Cooper and Ryan Busch

Mr. Pistillo summarized the Finance Committee's discussion regarding the financial position of Chandler University. Mr. Pistillo also explained the structure of the holding company, management company, magazine and the school.

Mr. Pistillo requested Mr. Busch to provide an update regarding financials. Mr. Busch stated that the magazine, "Today's Campus" is doing very well. Mr. Cooper joined the room and reiterated that "things are going well". Mr. Cooper stated they enrolled a third student. Mr. Cooper stated that their growth strategies are through community partnerships. There was discussion regarding the funding of the school. Mr. Cooper explained that the revenues from the magazine is providing the funding and they currently have 23 employees (4 full-time).

Ms. Miller requested Mr. Cooper to further explain Chandler University and its goals. Ms. Leonard requested clarification on the refund policy for veterans.

Ms. Miller and Mr. Tharp expressed their concerns.

**Action:** Mr. Pistillo made a motion to approve the Regular Vocational Program and Provisional Degree Granting License Renewal with the following stipulations:

- The \$15,000 Surety Bond is to be maintained;
- Continue quarterly financial and enrollment data reporting. The following must be submitted: quarterly report that includes projections vs. actuals for all entities consolidated and individually for CU, balance sheet and bank statements;
- Progress report on admissions;
- Progress report on accreditation.

Mr. Tharp seconded the motion and the motion carried.

**D. Regular Degree-Granting License Application: Albright College.**  
Represented by Dr. Jerry Lee, Dr. Dan Falabella and Dr. Andra Basru

Mr. Tharp was the lead board member. Mr. Tharp requested clarification on the rent projections for FY2013/2014. Mr. Tharp also noted that Albright has been in existence since 1856.

Dr. Lee addressed the Board and stated he would be the Arizona administrator.

Ms. Leonard expressed her concerns regarding the Catalog and requested the Catalog be revised specifically to Arizona.

**Action:** Mr. Tharp made the motion to approve the Regular Degree-Granting License Application with the following stipulations: revise the FY2013/2014 projections and revise the Catalog as requested. Mr. Pistillo seconded the motion and the motion passed.

**VII. Call to the Public:** Mr. Lee Sevy with the Arizona Department of Veterans' Services, is the State approving agency for veterans attending the licensed institutions. Mr. Sevy announced he was retiring and that Ms. Nicole LaPella would be assuming his duties.

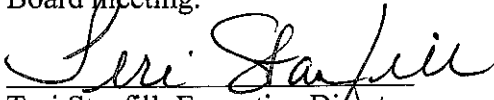
**VIII. BOARD BUSINESS:** Ms. Stanfill reported she had just returned from attending the NASASPS meeting and noted the work being done on state reciprocity and panel regarding compliance plans. Ms. Stanfill also reported that the City of Mesa has been actively recruiting new institutions.

Ms. Leonard requested Staff get an update on the status of the USDE Program Review for Grand Canyon University.

**IX. Adjournment**

**The meeting adjourned at 12:20 p.m.**

The April 26, 2012 Regular Board Meeting Minutes were approved at the May 24, 2012 Board meeting.

  
Teri Stanfill, Executive Director