

ARIZONA STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION
1400 West Washington St., Conference Room B1
Phoenix, AZ 85007

BOARD MEETING MINUTES

January 27, 2011

Members Present: Scott Rhude
 Jim Dugan
 Laura Palmer Noone
 KC Miller
 Trish Leonard (By Phone)

Also Present: Teri Stanfill, Director
 Jeanne Galvin, Assistant Attorney General
 Keith Blanchard, Deputy Director
 Cassandra Piñon, Board Secretary

I. CALL TO ORDER – 11:07 A.M.

Chairman Rhude called the meeting of the Arizona State Board for Private Postsecondary Education Board Meeting, to order at 10:10 A.M.

II. BOARD MEETING MINUTES

- A. **December 14, 2010 Regular Meeting Minutes:** KC Miller noted several corrections. Ms. Miller made a motion to approve the Minutes with revisions; Ms. Noone seconded the motion and the motion carried.
- B. **December 14, 2010 Executive Session Minutes:** Ms. Noon made a motion to approve the Executive Session Minutes; Mr. Dugan seconded the motion and the motion carried

III. STUDENT TUITION RECOVERY FUND: Claim filed by a former student of Northern Arizona Massage Therapy Institute

Ms. Stanfill summarized the complaint filed by RC, a former student of NAMTI. RC was currently enrolled with NAMTI closed and had transferred to Southwest Institute of Healing Arts to complete the program. RC had an accident and was unable to continue her training and withdrew.

The Board members discussed the extenuating circumstances and noted that RC was unable to complete the program due to the injury and the drive required to Phoenix to complete her training.

Action: Mr. Dugan made motion to approve the claim filed by RC in the amount of \$6835.25 due to the extenuating circumstances caused by the injury and her inability to

complete the program as a result. Ms. Noone seconded the motion and the motion carried.

IV. LICENSING:

A. Regular Vocational Program License Renewal: Tucson College

Represented by Lillie Roman, acting Campus Director, Lisa Colores, Regional Default Prevention Manager and James Weaver, Regional Manager.

Ms. Stanfill stated that Tucson College ("TC") is seeking renewal of the 2011 Regular Vocational Program License Renewal and because of concerns with Tucson College's default rate and ACICS' concerns, the renewal was referred to the Board for discussion and action. Ms. Stanfill noted that on January 14, 2011, ACICS is requiring TC to submit a status report on how the institution is continuing to track its default rate data and what the data reflects about the plans for improvement and the draft 2009 cohort default rate.

Ms. Roman responded to the questions of the Board. Mr. Weaver reported that the projected 2009 default rate, which will not be released until February 2011, will be 20.2%. Mr. Weaver has explained that USDE has not taken any additional action.

Action: Ms. Noone makes a motion to approve the 2011 Regular Vocational Program License Renewal with the following stipulations: 1) Provide copies of all correspondence/reports with ACICS; 2) Provide monthly updates to the State Board office regarding Tucson College's Default Management Plan progress. Tucson College may be required to appear and answer questions regarding this matter. Ms. Miller seconded the motion and the motion carried. The applicant agreed to the stipulations.

B. Conditional to Regular Vocational Program License Renewals:

1. Comprehensive Training Service: Represented by Sergio Laurente and Teresita Baldueza

Ms. Stanfill summarized the report and stated that Ms. Helscher was lead and had indicated she did not have any questions. Ms. Leonard had a question if the institution accepted credit for previous training as the Enrollment Agreement and Catalog had conflicting information. Mr. Laurente stated that credit for previous training was accepted.

Action: Ms. Noone made a motion to approve the Conditional to Regular Vocational Program License Renewal with the following stipulations: 1) Maintain the \$15,000 Surety Bond; 2) clarify in the Enrollment Agreement (page 2) that credit for previous training is accepted. Mr. Dugan seconded the motion and the motion carried. Mr. Laurente agreed to the stipulations.

2. eRenewable Resource Institute, LLC: Represented by Donna Marie Bertault and Christopher Hennegler

Ms. Leonard recused herself from this agenda item.

Ms. Stanfill summarized the report stating concerns that the program currently licensed by the Board has not been fully developed; the “program” has not been offered since licensure, but only “ala carte” by course. Ms. Stanfill expressed concern that as result, there could be confusion with the enrollment agreement, catalog, enrollment data and advertising. Ms. Stanfill further stated that the website had stated that “eRenewable Resource Institute, an Arizona State Board for Postsecondary Education approved, IS PQ accredited renewal energy school” and required the licensee to revise the language.

Mr. Hennegler addressed the Board and wished to clarify the correct name of the institution is “eRenewable Resource Institute, LLC”, not “Group.” Mr. Hennegler explained to the Board the institutions difficulty in finalizing all of the courses within the program and it was the intent to revise the programs to reflect the current course offerings.

Action: Mr. Dugan made a motion to defer action until the licensee submits the required forms to correctly reflect the programs that are being offered. Ms. Miller seconded the motion and the motion carried.

3. Phoenix Computer Academy: Represented by Aparna Gupta

Ms. Stanfill summarized the report. Ms. Leonard was lead and had several questions regarding the registration fee, refund policy, leave of absence policy and questioned if the training would lead to a Chief Executive position. Ms. Gupta responded to the questions.

Action: Ms. Noone made a motion to approve the Conditional to Regular Vocational Program License with the following stipulations: 1) b Maintain the \$15,000 Surety Bond; 2) Revisions as follows: Page 9 of the catalog, the withdrawal calculation revised to state “based upon”; Page 4 of the Enrollment Agreement revised to state “a payment of applicable Registration fee”; Refund policy/registration fee: revised to state “applicable registration fee but no more than \$200”; Page 11 of the catalog; revised to clarify the terms and conditions of the student’s enrollment agreement are honored for approved leave of absences; Page 61 of the catalog: remove the “Chief Executive” as possible careers. Mr. Dugan seconded the motion and the motion carried. Ms. Gupta agreed to the stipulations.

4. The Meadows of Northern Arizona: Represented by Joyce Masterson and Kim Fullmer

Ms. Stanfill summarized the report. Ms. Miller was lead and had questions regarding placement and admission requirements for the manager program.

Action: Ms. Miller made a motion to approve the Conditional to Regular Vocational Program License with the stipulation that the \$15,000 Surety Bond be maintained and the admission requirements for the manager's program clarify the student must be 21 years of age. Ms. Noone seconded the motion and the motion carried. Ms. Masterson agreed to the stipulations.

5. The Yoga Connection: Represented by Priscilla Potter

Ms. Stanfill summarized the report. Ms. Miller was lead and had questions regarding the refunds to students. Ms. Stanfill clarified for Ms. Potter that any monies paid by an applicant who is denied admission or cancels the enrollment agreement is to receive a refund of all monies paid to include the \$25.00 application fee.

Action: Ms. Miller made the motion to approve the license with the stipulation that the \$15,000 surety bond is maintained and the applicants understanding that any monies paid an applicant and is denied admission or within the 3-day cancellation period cancels the enrollment agreement, all monies are refunded to the student. Mr. Dugan seconded the motion and the motion carried. Ms. Potter agreed to the stipulation and acknowledge the clarification on the refund policy.

C. Conditional Vocational Program License Applications:

1. Jacqueline Bloink, LLC: Represented by Jacqueline Bloink

Ms. Stanfill summarized the Report and noted the error in the report that classes were held at St. Mary's Hospital, but stated the classes are held at Ms. Bloink's residence.

Ms. Miller was lead and requested clarification that Ms. Bloink intends to use her name as the licensee. Ms. Bloink confirmed that she did.

Ms. Leonard noted revisions required in the Refund policy. Mr. Rhude requested future projections be provided in a financial report layout and not in narrative form.

Action: Ms. Miller made the motion to approve the Vocational Program License application with the following stipulations: 1) maintain the \$15,000 Surety Bond; 2) Enrollment Agreement/Refund Policy: delete reference to Title IV; delete paragraph F; 3) correct State Board phone number. Ms. Noone seconded the motion and the motion carried. Ms. Bloink agreed to the stipulations.

2. Schmidtke Dental Assisting: Represented by Gabriel Schmidtke, DDS

Ms. Stanfill summarized the Report. Ms. Helscher was the lead, but was unable to attend and forwarded her questions to Mr. Rhude. Several concerns and questions were raised on policies and procedures and require the applicant to correct/revise. Mr. Rhude also questioned the 2 year projections.

Action: Mr. Rhude made a motion to approve the Conditional Vocational Program license with the following stipulations and required revisions: 1. Maintain the \$15,000 Surety Bond; 2. clarify the 50 hours is required for the externship in applicable documents; 3. Leave of absence policy

revised and clarified; 4. attendance policy/make-up work policy revised and clarified; 5. placement assistance clarified; 6. Marketing materials: "flexible payments plans" statement revised and marketing materials should be more realistic. Ms. Noone seconded the motion and the motion carried. Dr. Schmidtke agreed to the stipulations and required revisions.

V. **Call to the Public** – No one came forward.

VI. **Board Business:**

A. **Executive Director's Report:**

Ms. Stanfill noted that SB1038 would exempt the caregiver and manager programs from the Board's jurisdiction. Mr. Rhude requested Ms. Stanfill to get current information from the institutions that have a LOC with the USDE.

B.C. **Discussions regarding the USDE Final Regulations/Proposed revisions to A.R.S § 32-3001 et seq.**

The Board discussed the USDE final regulations regarding state licensing and the clock to credit hour conversion. Ms. Rawls with Universal Technical Institute addressed the Board noting UTI's concerns as well. The Board acknowledged many have different interpretations and are waiting on further clarification from USDE. Mr. Rhude requested this matter be placed on the May Agenda.

D. **Elections:**

1. **Chairman:** Ms. Miller made the motion to elect Ms. Noone as Chair. Mr. Rhude seconded the motion and the motion carried.
2. **Vice Chairman:** Ms. Noone made the motion to elect Ms. Miller as Vice Chair. Mr. Dugan seconded the motion and the motion carried.
3. **Finance Committee:** Mr. Rhude agreed to remain as Chairman, Ms. Miller and Ms. Helscher will serve as members.
4. **Complaint Committee:** Ms. Noone agreed to remain as Chair, Ms. Leonard will serve as a member and Mr. Dugan and Ms. Helscher as alternates.
5. **Program Review** – Ms. Stanfill reported that Mr. Rhude has been reviewing all programs submitted by the institutions. The number of new program submittals has increased dramatically, and asked members to volunteer to help in reviewing the new programs. Mr. Rhude, Ms. Helscher, Ms. Miller and Mr. Dugan volunteered to provide "subject matter expertise" in reviewing new programs.

VII. **Adjournment:** The meeting adjourned at 12:15 P.M.

Minutes approved at the 2-24-11, 2011 meeting of the Arizona State Board for Private Postsecondary Education.


Teri Stanfill, Executive Director