



**Advisory Committee Meeting Minutes**  
**Wednesday, February 17, 2021**

**WebEx Meeting**

**Advisory Committee Members in Attendance**

1. Joseph Holt
2. Katherine Lee-Carey
3. Margaret Reiter
4. Thomas Wong
5. Leigh Ferrin
6. Diana Amaya
7. David Vice
8. Kevin Powers (on behalf of Assemblymember Jose Medina)

**Committee Members Absent**

Senator Steven Glazer (Sarah Mason)

**Bureau for Private Postsecondary Education (Bureau) and Department of Consumer Affairs (DCA) Staff in Attendance**

Leeza Rifredi, Deputy Bureau Chief  
Beth Scott, Bureau Enforcement Chief  
Beth Danielson, Bureau Enforcement Chief  
Ebony Santee, Bureau Licensing Chief  
Scott Valverde, Office of Student Assistance and Relief (OSAR) Chief  
Robert Bayles, Bureau Education Administrator Chief  
Yvette Johnson, Bureau Administration Chief  
David Dumble, Bureau Legislative/Regulation Specialist  
Clarisa Serrato-Chavez, Bureau Complaint Investigations Unit Manager  
Michael Kanotz, DCA Board and Bureau Counsel  
Carrie Holmes, DCA Board and Bureau Relations Deputy Director

### **Agenda #1 - Welcome, Introductions, and Establishment of a Quorum**

Committee Chair, Katherine Lee-Carey called the meeting to order.

### **Agenda #2 - Public Comment on Items not on the Agenda**

No Public Comment.

### **Agenda #3 - Review and Approval of December 1, 2020, Advisory Committee Meeting Minutes**

Thomas Wong moved to approve the minutes as amended; Margaret Reiter: seconded the motion. (Ms. Lee-Carey: Aye; Ms. Reiter: Aye; Diana Amaya: Abstain; Joseph Holt: Aye; Leigh Ferrin: Aye; Mr. Wong: Aye) The motion passed.

#### **Public Comment**

No Public Comment.

### **Agenda #4 - Remarks by Representative of the Department of Consumer Affairs**

Carrie Holmes, Deputy Director for Board and Bureau Relations, provided an update.

Ms. Holmes reported that appointments are a top priority for Board and Bureau Relations. She indicated that the Bureau currently has three (3) vacancies. She noted that two of the open positions are for the past student of institution positions and the remaining position is for the consumer advocate position. She directed any member of the public interested in serving on the Advisory Committee to find the link titled "Board Member Resources" on the DCA homepage.

Ms. Holmes provided an update on the impacts of COVID-19. She indicated that DCA offices are open to the public. She added that DCA boards and bureaus are maximizing the use of telework, to help prevent the spread of the virus.

Ms. Holmes stated that DCA has been working closely with the Bureau in preparation for its sunset review hearing. She noted that the hearing dates have not yet been set.

Ms. Holmes explained that the Bureau fee audit is still under review and will likely be finalized by the next Advisory Committee meeting.

Ms. Reiter asked for a status update on the rollout of Cherwell. Ms. Holmes reported that Cherwell is with four pilot groups. She added that associated costs for suggested improvements to the program are being evaluated by the Office of Information Security (OIS).

Ms. Lee-Carey asked for an update on the process of replacing the former Bureau Chief. Ms. Holmes indicated that there is movement in the appointment process. She noted that the appointment comes out of the Governor's office.

#### Public Comment

Robert Johnson provided a public comment.

Caroline Cruz provided a public comment.

### **Agenda #5 – Bureau Operations Update and Discussion**

#### Update on Fee Audit

Deputy Bureau Chief, Leeza Rifredi, provided a status on the Bureau's fee audit. She reported that there is no definitive timeline for finalizing the fee audit. She added that as soon as the report is final, it will be made available.

#### Public Comment

No Public Comment.

#### Sunset Review Update

Ms. Rifredi reported that a sunset review hearing date has not yet been set. She noted that the Bureau has been preparing for the hearing and is anticipating a hearing date sometime in late March or early April 2021.

#### Public Comment

Rachel Blucher provided public comment.

Robert Johnson provided public comment.

#### Annual Reports (AR) Report

Mr. Bayles provided a report on the Annual Reports Unit (ARU). He outlined Attachment 5c, of the meeting packet.

### Public Comment

No public comment.

### Quality of Education Report

Mr. Bayles provided a report on the Quality of Education Unit (QEU). He outlined Attachment 5d, of the meeting packet.

### Public Comment

No public comment.

### Compliance and Discipline Report

Bureau Enforcement Chief, Beth Scott, provided a report on the Compliance and Discipline Units. She referenced Attachment 5e, of the meeting packet.

### Public Comment

Kimberly Brockman provided a public comment.

### Complaint and Investigation Report

Bureau Enforcement Chief, Beth Danielson, reported on the Complaint and Investigation Unit. She outlined Attachment 5f, of the meeting packet.

### Public Comment

Angela Perry provided a public comment.

### Licensing Report

Bureau Licensing Chief, Ebony Santee, reported on the Licensing Unit. She outlined Attachment 5g, of the meeting packet.

### Public Comment

No Public Comment.

### Office of Student Assistance and Relief (OSAR) Report

OSAR Chief, Scott Valverde, provided a report on OSAR. He covered Attachment 5h, of the meeting packet.

Ms. Reiter asked if additional attempts will be made to contact past Corinthian students, who do not respond to initial outreach efforts. Mr. Valverde indicated that additional attempts will be made to reach out to students.

#### Public Comment

Robert Johnson provided public comment.

#### Student Tuition Recovery Fund (STRF) Report

Bureau Administration Chief, Yvette Johnson, provided a report on STRF. She covered Attachment 5j, of the meeting packet.

Mr. Holt asked what led to retroactively implementing the fee change to the STRF assessment. Ms. Johnson indicated that it was a file and print regulation. She added that there will be more information in the next agenda item.

#### Public Comment

Angela Perry provided public comment.

#### **Agenda Item #6 - Status Updates on Regulations**

David Dumble provided a status update on Bureau regulations. He covered Attachment 6a of the meeting packet.

Ms. Reiter asked at what point are proposed regulatory changes brought to the Advisory Committee for input. Ms. Rifredi explained that once language has been drafted and reviewed by DCA and the Business, Consumer Services, and Housing Agency, then the language will be presented to the Advisory Committee, for review.

Ms. Rifredi provided additional information on the STRF assessment fee increase. She explained that the fee increase legally took effect on February 8, 2021. She noted that sufficient notice was not provided immediately following the implementation. She added that the Bureau has enforcement discretion with regard to the gap between the fee taking effect and the time the fee increase was noticed. She pointed out that the Bureau views the first quarter, since the fee change, as a transitional period and an educational opportunity.

Ms. Lee-Carey stated that the STRF assessment fee change was expected and that institutions were expecting a notice indicating when the fee change would take place. She explained that instead, a notice was only sent after the fee change. She added that institutions have to make process changes and train people to collect the fee. She requested that the Bureau take into consideration the necessary changes to processes and to allow institutions the time required to

implement the changes. She noted that even if the institution received notice of the fee change on February 12, 2021, the institution would still need time to make the necessary changes.

Ms. Reiter commented that it would be ideal to have the fee change automatically based on the STRF fund balance, without the need for a regulatory change. She added an automatic change based on the STRF fund would allow the Bureau an opportunity to provide more notice to institutions regarding a fee change.

Ms. Rifredi noted that the law states the Bureau shall implement a fee change once the STRF fund reaches a certain limit. She added that the Bureau does not have discretion in that aspect of the process. She pointed out that when the law changed, the only thing that changed was the amount collected. She stated that all the information and disclosures regarding STRF should already be prepared and made available to students.

Ms. Rifredi stated that notice will be provided when public comment is opened up for the verification for exemption status regulation package.

Ms. Rifredi stated that the law requires the STRF assessment fee to be collected by the students and cannot be paid by the institution on behalf of the student.

Ms. Rifredi indicated that institutions can send STRF related questions to [BPPE.STRFAssmntFee@dca.ca.gov](mailto:BPPE.STRFAssmntFee@dca.ca.gov).

#### Public Comment

Robert Johnson provided public comment.

Catherine Tellez provided public comment.

Kimberly Brockman provided public comment.

Angela Perry provided public comment.

Myra Pomerantz provided public comment.

#### **Agenda Item #7 - Presentation and Discussion on How Complaint and Disciplinary Items Will be Tracked in the New IT System, and What Will Be Made Available to the Public**

Robert Bayles provided a brief update on the status of the IT project. He elaborated on how the new system will replace SAIL and spreadsheets maintained by staff. He explained that staff will be able to run reports from the new system, on virtually any data that is entered into the

system. He noted that the new system is composed of differing modules, with the ability to communicate with one another.

Mr. Bayles explained that there will be an institution lookup function, available to the public, that will display information about the institution. He noted that non-disciplinary complaints will not be made public. He stated that an inspection history will be displayed in an institution profile that will populate from the institution lookup function.

Mr. Bayles stated that there will be an expansion to the type of classifications used to identify disciplinary activities.

Ms. Reiter asked for additional information on the types of the classifications being added to the new system. Clarisa Serrato-Chavez stated that she does not have a list of all the classifications in front of her, but added that the information could be provided.

Ms. Reiter asked if the public would be able to search for specific types of disciplinary actions, from different types of schools, to include accredited, non-accredited, degree granting, and non-degree granting institutions. Mr. Bayles responded that Bureau staff would have the capabilities to generate those types of reports, for the Advisory Committee, upon request. Ms. Reiter asked if the types of complaints being made by students would be available to the public online. Mr. Bayles indicated that he was not sure if that would be available to the public, but that he would follow up to find out.

Ms. Reiter indicated that it would be helpful to have as much information online as statutorily possible. She gave an example of being able to see what actions the Bureau takes in regard to non-jurisdictional and unsubstantiated complaints. She added that she would like to see information regarding denial of STRF claims to include the category for "reason of denial." She also suggested a section allowing access to inspection results, including a breakdown of how much money was refunded compared to how much was requested to be refunded. Ms. Reiter stated that she would like to see whether remedies resulting from an inspection or a complaint is applied to individual cases or to the institution and students, as a whole. She provided an example of a student not receiving a School Performance Fact Sheets (SPFS) from an institution and suggested providing data on whether all students at that institution was offered the SPFS.

Mr. Holt recommended that the new system provide ratio and percentage analysis for added context. He gave an example of providing the number of student complaints in relation to student population. He added it would be helpful to provide data showing what percentage of the total complaints received, are coming from specific institutions. He noted that this would better highlight patterns of behavior.

Ms. Serrato-Chavez pointed out that any complaints received, that do not result in disciplinary action, are not public information. She noted that, while generic information regarding these types of complaints could be made available to the public, the information would not be tied to specific institutions. Mr. Holt commented that the number of complaints received could be

highlighted as a percentage of a certain number of institutions, without naming any specific institutions. He provided an example of a “X” number of complaints received for an “X” number of institutions. He added that the Advisory Committee could then question what actions are being taken, with regard to those institutions that are receiving a higher percentage of complaints.

Ms. Reiter suggested having a category to identify institutions or courses that require in-person or hands-on training. She noted it would be helpful to be able to identify certain types of institutions that may be under stress due to environmental factors such as COVID-19. She gave an example of complaint information pertaining to distance learning institutions.

Ms. Reiter asked if the new system will track owner history as a means to cross reference new applications for approval to determine if an individual was involved with a prior institution. Mr. Bayles stated that there has been a discussion with the development team to try and incorporate that capability.

Ms. Reiter recommended the system have the ability to view pending and/or approved STRF claim applications in order to see the stage of the claim in the overall process.

#### Public Comment

Angela Perry

#### **Agenda #8 – Future Agenda Items**

Ms. Reiter requested a follow up on the status of the new IT system.

Mr. Holt requested information on the Bureau’s sunset review hearing.

Ms. Reiter requested information on the Bureau’s position on upcoming legislative items.

Ms. Amaya requested information on COVID-19 related complaints.

#### Public Comment

No public comment.

#### **Agenda #9 – Adjournment**

The meeting adjourned at 1:40 pm.