

Bureau for Private Postsecondary Education
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**Task Force Meeting Minutes
Tuesday, August 18, 2015**

**Department of Consumer Affairs
Evergreen Facility – Hearing Room
Room 1150 A&B
2005 Evergreen St
Sacramento, CA 95815**

Tuesday, August 18, 2015

Task Force Members in Attendance:

Shawn Crawford, Chair
Kim Thompson-Rust
Liz Simon
Marie Roberts De La Parra
John Carreon

Committee Members Absent:

None

Bureau for Private Postsecondary Education (Bureau) and DCA Staff in Attendance:

Joanne Wenzel, Bureau Chief
Robert Bayles, Enforcement Chief
Mina Hamilton, Legal Counsel, Department of Consumer Affairs
Benjamin Triffo, Associate Governmental Program Analyst
Matthew Wiggins, Associate Governmental Program Analyst

Call to Order

Mr. Crawford called the meeting to order at 9:32 am on August 18, 2015 at the Department of Consumer Affairs, Evergreen Facility – Hearing Room 1150 A & B, 2005 Evergreen St, Sacramento, CA 95815

Agenda Item # 1 - Welcome and Introductions

Mr. Crawford welcomed the Task Force, and the public, followed by introductions of the Task Force.

Agenda Item #2 – Public Comment for Items not on the Agenda

There was no public comment.

Agenda Item #3 – Approval of Minutes- July 15-16, 2015

Mr. Carreon motioned to approve the minutes, Ms. Simon seconded. (Mr. Carreon: Aye; Ms. Rust: Aye; Ms. Simon: Aye; Mr. Crawford: Aye; Ms. De La Parra: Aye). The motion passed.

Agenda Item #4- Guest Speaker on Prospective Student Disclosure: School Performance Fact Sheet Overview

(a). Matthew Wiggins

Mr. Wiggins, BPPE, introduced himself to the Task Force. He began with an overview of the contents of the School Performance Fact Sheet (SPFS), the definitions of each category, as well as the regulations that support the data that is reported.

Mr. Crawford asked for clarification on the difference between “Students Available for Graduation,” and “Graduates Available for Employment.” Mr. Wiggins made note that the additional exemptions allowed for Graduates Available for Employment pertain to employment, and do not have an effect on whether a student graduates or not.

Mr. Wiggins next discussed the proposed regulations and the effects on the SPFS. He made particular mention of the proposed definitions around gainful employment, and disclaimers for schools that do not participate in Federal Financial Aid.

Mr. Crawford asked if the SPFS that High Technology Schools will be using are identical to those of other Bureau approved schools. Mr. Wiggins stated that they are the same. There were no further questions from the Task Force. Mr. Crawford asked for public comment.

Vicky Bradshaw, California Strategies LLC, noted that self-verification of employment and directly contacting employers is not the most efficient way to document wage data, and that the Task Force should examine alternative methods. She recommended using the Base Wage File, and additional government resources to report this data.

Bob Garcia, Golden State Advocacy, stated that the fact there is a Task Force to review High Technology Institutions, shows that there is a noted difference between these types of schools and other career schools. He recommended a different article, or chapter of the California Education Code be made to oversee these schools. Mr. Carreon asked if Mr. Garcia is referring to anything in particular that he would like to see changed. Mr. Garcia stated that he is going to speak with his client about specifics.

Sarah Mason, Senate Committee on Business Professions and Economic Development, mentioned that she is here to answer any questions on the intent of Senate Bill 1247 (SB 1247). She noted that there was not an intention for an explicit carve out for these schools, but to investigate whether there are specific differences, and should regulation look different. She also noted that there were conversations regarding program approval, and to make the Bureau more flexible. She emphasized again that SB 1247 does not have language regarding exemptions for High Technology Programs.

Angela Perry, Public Advocates, stated that it is essential to take into account the issues that have been seen at other for private proprietary schools [for profit private postsecondary schools]. She noted that some schools have agreements with employers to provide temporary employment, to increase placement rate numbers; and she does not want to see this happen with these schools.

Ms. Simon noted that not all students who attend these schools are job seeking. She stated that this is a real category of students that have a presence on campus, and that there should be a way to disclose and account for these students. Ms. Simon also asked about how many salary bands can be included in the SPFS. Ms. Wenzel noted that it can be as many as you want, but they need to be \$5,000 increments. Mr. Carreon agreed with Ms. Simon, and noted that freelancers and non-job seeking students need to be recognized.

Mr. Carreon agreed with Ms. Simon in regards to students who are on campus for continuing education. Often students come to these institutions and are already employed and are only looking to add skill sets, and there needs to be a way to account for them.

Ms. Simon noted that when General Assembly completes SPFS for their part time programs, often the only data that is included is the completion rate. Most students who attend these programs fall into the above mentioned categories.

Ms. De La Parra asked about the number of students who attend school for continuing education and are non-job seeking. Ms. Simon and Mr. Carreon both said that it is around 5-10%, but they do not have the specific numbers on them.

Ms. Wenzel made note that the goal of disclosures is to ensure that the student is protected; and she doesn't want to see a student being pushed into saying that they attended a school for continuing education if they could not find employment. The determination of whether attending for continuing education should be made on the front end of the enrollment process.

Mr. Crawford asked if the Bureau has received any kind of student feedback about the SPFS, or if the information that is being captured is relevant to the student. Ms. Wenzel stated that there is currently a contract getting ready to go out for bid on this topic.

There were no further public comments.

Agenda Item #5 – Discuss Task Force Report Content, Mandated by California Education Code (CEC) section 94880.1

(a) Review Findings From Previous Meeting

Ms. Wenzel recommended that Benjamin Triffo, BPPE, provide an overview of the preliminary draft of the Task Force report. Mr. Triffo stated that the preliminary draft currently provides an overview of the history of the Bureau, details on SB 1247, Task Force methodologies, as well as summaries of guest speakers who have spoken to the Task Force regarding student disclosures, reporting outcomes, and next steps for the state. Mr. Triffo did notate that the report is a high level overview, and that additional details and modifications can be made when the Task Force begins to formulate recommendations. There were no questions from the Task Force.

Mr. Crawford asked for public comment. Angela Perry, Public Advocates, requests that her comment from the previous meeting regarding unsuccessful students be reviewed. Mr. Carreon asked if Ms. Perry has any specific students she could provide. She stated that she can do some research, and get back to the Task Force.

Mr. Carreon asked if wage data is available for what was recommended by Vicky Bradshaw during earlier public comment. Mr. Crawford stated that there are probably statutory limitations on this data.

Laura Metune, Assembly Higher Education Committee, noted that there is no statutory limitation on this wage data, and that the Bureau has the authority to set up a similar program as to that that is used by California Community Colleges.

Ms. Bradshaw noted that Ms. Metune is correct, and that the data is called the Base Wage File and is maintained by the Employment Development Department (EDD). Ms. Bradshaw reviewed how the Base Wage File works, and recommended that the Task Force look into using this option.

Mr. Crawford recommended using this data if available, and that this should be a recommendation in the Task Force report.

Mr. Carreon asked Ms. Metune if there is anyone who could provide additional information on this data. Ms. Metune recommended Patrick Perry of WestEd to speak, as he set up the program that the community colleges use.

Ms. De La Parra noted that unsatisfied students may be difficult to convince to testify, as it is much easier to voice displeasure online, rather than in person; however, it would be valuable input.

There was no further public comment.

(b) Recommendations Related to Student Disclosures [CEC section 94880.1(a)(3)(A)]

Mr. Carreon recommended adopting some of the proposed regulations. By doing this it will help simplify disclosures, and ideally will be a more effective tool in helping students choose an institution to attend.

Mr. Crawford agreed and recommended that there can also be a different version of the SPFS for continuing education programs, ensuring only relevant information is provided. This document though would need to have a disclosure stating that the program differs from those at other institutions.

Ms. Rust referenced the Colorado Department of Higher Education, and that their model should be considered. Ms. Rust noted that Colorado receives feedback from prospective employers on the relevancy of programs, serving as a 3rd party source of information that is not associated with any given school. This information serves as documentation of the workforce demand from employers. Ms. Rust stated that this

model is typically used during the new program approval process. Mr. Carreon noted that this can align with the Program Advisory Committee that was discussed at the previous meeting. Mr. Crawford added that this could be a good third party source of information.

Mr. Crawford recommended that each Task Force member draft a redline copy of the SPFS for any recommendations.

(c) Recommendations Related to Reporting Student Outcomes [CEC section 94880.1 (a)(3)(B)]

Mr. Crawford began by recommending that each Task Force member provide a redline edit of the current SPFS, to notate any modifications that they would like to see on a SPFS exclusively for High Technology Programs. He also recommended scheduling Patrick Perry to speak at the next Task Force meeting, to discuss the intricacies of “Salary Surfer.”

Mr. Carreon again mentioned the proposed reporting regulations, and potentially using them as a guide on how student outcomes should be reported.

Ms. Wenzel stated that if the Task Force wants to account for students who may be attending an institution for continuing education, and does not intend on leaving their current job, an acknowledgment should be provided to the student about their intent of enrollment. This will provide assurance to the Bureau that the intent of enrollment has been documented at the time of enrollment, and not at the end of the program. Ms. Rust agreed, and noted that this could be in the Enrollment Agreement/Contract.

(d) Recommendations Related to State Steps [CEC section 94880.1 (a)(3)(C)]

Mr. Crawford asked if there is a desire to have a recommendation around diversity in the industry. He referenced the Tech Hire Initiative, and maybe recommending a state specific version (outreach to underserved communities, and to increase awareness). Ms. Simon noted that in New York there are some city funded scholarship programs, but she is not aware of any state funded programs. Ms. Simon stated that she will provide more specifics on the New York programs.

Mr. Crawford and Mr. Carreon recommended reaching out to EDD for a guest speaker at a future meeting; with the goal of learning about how they view the emergence of new technologies, and how they are attempting to foster growth.

Mr. Carreon recommended that the Program Advisory Committee take the place of the Quality of Education Review. He noted that there are elements from Colorado’s Department of Education that can be incorporated, creating a holistic review of a program. Ms. Simon agreed, and noted that the next step would be to create a context in which this Program Advisory Committee would operate. Ms. Rust stated that she will draft an outline of the Program Advisory Committee requirements. Mr. Crawford asked for the amount of schools that use this process in Colorado, and how it is being received. Mr. Carreon stated that he will follow up with the head of the Colorado Department of Higher Education. Ms. Wenzel asked if the Colorado

process is for degree and non-degree programs. Ms. Rust stated that she will follow up with that information.

Ms. Simon recommended that the Task Force review the salary distributions of Dev Bootcamp and General Assembly graduates (Ms. Simon noted that any recommendations may also fall under the Outcomes section of the report). Mr. Crawford noted that being able to have a single source of wage data will remove the uncertainty of self-reporting, and help create a clearer picture of expected salaries. He recommended again that the Task Force review the processes that the community colleges use to report wage. Mr. Carreon recommended that the wage data be included in the Task Force's report to demonstrate that the median wages for a Web Developer are significantly higher than wages earned by graduates of other programs at different institutions.

The Task Force next discussed candidacy, and Ms. Simon provided an overview of New York's candidacy procedures. Mr. Crawford stated that he supports a candidacy status; however he is concerned that if California follows the New York model that the organization that grants the candidacy to a school does not handle complaints from students. Mr. Wenzel noted that there are no student protections under the New York law. Mr. Crawford also added that by having a candidacy status, the Bureau will have a better idea of how many institutions are operating; and will provide a lower hurdle for the schools to clear, creating an incentive for schools to seek Bureau approval. Mr. Carreon noted that there needs to be more conversation around this topic, but this would allow the Bureau to be proactive instead of reactive. Ms. Rust added that an incentive may be that if a High Technology Program applies for candidacy status, there application will receive a higher priority, and will be reviewed quicker.

Mr. Carreon stated that the Task Force should also review how they are reaching out to inform schools that are operating without approval that they need to submit an application to the Bureau; again being proactive over reactive.

The Task Force took lunch at 12:30 pm.

The meeting reconvened at 1:45 pm.

Mr. Crawford began by discussing the need to address unapproved schools, and whether the most effective method would be candidacy, or an expedited approval process. He noted that the two do not have to be mutually exclusive, and that there should be a wide range of recommendations. Mr. Carreon stated that he doesn't think that the Task Force can recommend both options, but perhaps an either or, would be an effective method. Mr. Crawford added that after further thought, candidacy may not be the most effective method due to the fact that it would require a legislative or regulatory change; where as a process improvement within the Bureau (expedited approval process) may yield quicker results. Ms. Wenzel stated that there is an area of the regulations that allows the Bureau to offer "Conditional Approval", based on specific deficient items in an application that can be fixed within six months. She added that students will have the same protections under this definition as they would if it was a fully approved program. Ms. Rust liked the idea of using the existing

“Conditional Approval” regulations, and building upon it (adding in specifics which grant this approval). Ms. Wenzel stated that Conditional Approval only pertains to specific items that can be easily fixed; it is not applicable to items such as financials. Less than 1% of applications receive Conditional Approval.

Ms. Simon recalled the previous meeting, during which Ms. Rifredi (Licensing Chief, BPPE) stated that the longest delay in the application process occurs from when a completed application is submitted, to when it is reviewed for compliance; with Ms. Simon mentioning that this may be the area that the Task Force looks at making improvements. She added that if the entire process is going to take longer than six months, then perhaps a candidacy process should still be considered. Ms. Wenzel added that perhaps that the Task Force should consider a mandated Licensing Workshop on applications, to help increase the amount of complete applications at initial submission.

Mr. Crawford recommended that there be some form of notification to the Bureau on whether an application pertains to a High Technology Program. This could be anything from a separate check box on the application, to a sticky note on the cover letter.

Mr. Carreon stated that there should be a designated timeframe that is acceptable to the Bureau for the application review process (completeness and compliance). After review the school will have a designated amount of time to turn in a corrected application; if there are then only minor deficiencies the school can be granted Conditional Approval. This way the school and Bureau are both utilizing all resources.

Ms. Wenzel recommended that the Task Force consider a mandated response time from institutions on deficiencies. She stated that this is one of the main causes of backlog, and that having response deadlines can help mitigate this.

Ms. De La Parra mentioned that when an individual attends a workshop that they have a timeframe that starts to when they must submit an application to the Bureau. She stated that it may be unfair to individuals who attend the workshop for informational purposes, and that there may need to be some form of distinction between attendees.

Ms. Wenzel noted that the quality of applications have increased since the implementation of Licensing Workshops. The applications aren't perfect, but better; she also noted that financial statements seem to be the biggest area that needs improvement. Mr. Crawford recommended that when High Technology Programs attend the Licensing Workshop that they are required to stay for an additional component, where timelines and the expedited process are reviewed.

Mr. Carreon referenced the meeting materials that show the alternate refund policies. Ms. Wenzel noted that each school is allowed to submit an application for an alternate refund schedule based on the uniqueness of the program. Mr. Crawford noted that this may be a good topic to discuss at the Licensing Workshop for High Technology Programs. He and Mr. Carreon stated that this information needs to be

included in the disclosure discussion area of the report. Mr. Crawford also asked for copies of Bureau approved alternate refund policies.

Angela Perry, Public Advocates notes that it would be valuable to know what methods the Bureau uses to find unapproved institutions, and the protocol in responding to those schools. Ms. Perry also stated that it should be seen as a red flag if a school struggles with submitting an application.

No further public comment.

Agenda Item #6 – Recommendations for Agenda Items for Future Meetings, Next Meeting Details

Based on availability, the next meeting needs to be held in late September/early October. Patrick Perry as a speaker, someone from EDD or Go-Biz to speak on Government plans/actions, unsatisfied students.

No Public Comment

Agenda Item #7 – Adjournment

The meeting adjourned at 3:10 pm.