

Business, Consumer Services and Housing Agency– Governor Edmund G. Brown Jr.

Bureau for Private Postsecondary Education
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**Task Force Meeting Minutes
Wednesday, September 16, 2015**

**Department of Consumer Affairs
Hearing Room #186
1747 North Market Blvd. Sacramento, CA 95834**

**Remote Location:
General Assembly
10 East 21st St
4th Floor
Reed Conference Room
New York, NY 10010**

Task Force Members in Attendance:

Shawn Crawford, Chair
Liz Simon (remote)
Marie Roberts De La Parra
John Carreon

Committee Members Absent:

Kim Thompson Rust

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

Joanne Wenzel, Bureau Chief
Mina Hamilton, Legal Counsel, Department of Consumer Affairs
Benjamin Triffo, Associate Governmental Program Analyst

Call to Order

Mr. Crawford called the meeting to order at 9:36 am on September 16, 2015 at the Department of Consumer Affairs Hearing Room #186 1747 North Market Blvd, Sacramento, CA 95834.

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

Liz Guillen, Director of Legislative and Community Affairs with Public Advocates, noted that she is present because Angela Perry (Public Advocates) could not attend the meeting. Ms. Guillen referenced the potential Task Force recommendation of expediting the application approval process, and Ms. Wenzel’s comments from a previous meeting that the main reason for a delay in application approval is from institution errors on an application. Ms. Guillen stated that this should be a red flag, and that schools that struggle with applications may have larger underlying issues; Public Advocates recommends looking at different options. Secondly, Ms. Guillen recommended that the Task Force recommend a uniform refund policy, so that students are provided with more protection. Finally, Ms. Guillen stated that she is hopefully that the Task Force hears from additional students who have attended high technology programs, and that Public Advocates has requested help from the Bureau in contacting these students.

There were no further public comments.

Agenda Item #3 – Approval of Minutes- August 18, 2015

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

Agenda Item #4- Guest Speaker

(a). Salary and Wage Data – Patrick Perry

Patrick Perry, Senior Research Associate, WestED is here to speak about using wage data to report student outcomes. Mr. Perry noted that while working for the California Community Colleges Chancellor’s Office, he aided in the development of a web based application that allows students to view salary data based on courses studied and award earned. Mr. Perry believes that this framework can serve a similar purpose for the Bureau. He noted that this data excludes individuals who are self-employed, federal government contractors, or military. The data is based off of social security numbers and NAICS codes (North American Industry Classification System). He did note that the data does not show the exact job of the employee, it simply shows the industry in which they are working. This may be problematic when dealing with professions that span across multiple industries (e.g. accountants).

The first step in getting a system up and running (similar to that of the California Community Colleges) would be to gain legal authority to the data, which can be done by amending the Employment Development Department (EDD) code to grant the Bureau authority to match data with EDD. Once this occurs there would need to be an Interstate Agency Agreement between EDD and the Bureau.

Mr. Perry stated that when the California Community Colleges executed their agreement with EDD, they would send over a list of their students social security numbers, and EDD would send back quarterly wage data for each student who matched. Once the data is received the Bureau will need to secure and store the data, and do their own data analysis.

Mr. Perry stated that along with the social security numbers provided by the schools, they would also need to provide a list of students who received awards that calendar year along with the student's demographic information. He recommended that there be a website developed where schools can upload and submit this data.

According to Mr. Perry, once these steps have been taken it is a fairly simple process to discover the wage outcomes of program completers and those who did not complete a program. When the program used by the Community Colleges (Salary Surfer) was being built there was much discussion on where data points should be located. The decided upon points for wage data was two years before program completion, two years post-completion, and five years post-completion. Mr. Perry stated that they chose two years post-completion because it takes some time for a students to find a job after they receive their award. There is then significant growth in wages between years two and five, ending with a plateau of wages shortly after year five.

Mr. Perry next mentioned institution's placement rates and how this information can be difficult to obtain from these data sets. He stated that it is common to not find a match for every student, due to the fact that often students move out of state, or they are self-employed (cosmetology, barbering, etc.). It is not uncommon to match only 70% of program graduates. Mr. Perry did mention that this does not mean that there is a 30% unemployment rate; it just means that this data needs to be complimented with survey data from the institutions to determine what the remaining graduates are doing for work. This can save institutions work seeing as they currently survey 100% of their graduates. An added benefit of using this method would be providing a feedback report to the institutions showing the findings.

Mr. Carreon made note of not being able to determine the exact employment position of a graduate, and how this would affect the placement rate data seeing as this pertains to being employed in the field of study. Mr. Perry stated that this was an issue with Salary Surfer, and that the methodology allows one to view the data in the aggregate, and not necessarily by student.

Mr. Carreon then asked about the cost of starting a program like this, and what that looked like when the community colleges took on a similar project. Ongoing maintenance would take about 2-3 PY, and he would recommend looking to putting the building of the project out to bid for a 3rd party.

Mr. Crawford asked how follow up surveys were distributed to students. Mr. Perry stated that it was a combination of different methods that started with electronic correspondence, followed by mail, and then telephone outreach. Mr. Perry stated that the best response rate from all three methods was around 35%.

Mr. Carreon asked if EDD can provide the address of the graduate. Mr. Perry stated that they do not, but they do have contact information for the graduate's employer. He followed up by noting that along with gathering survey results on student satisfaction, you could also do an employer satisfaction survey.

Mr. Carreon followed up by asking what different methods can be used to deal with gaps in wage reporting data (i.e. someone who was only employed for a portion of the year). Mr. Perry stated that there are a couple different ways that you can go about this. He recalls that

the Community College system required that an individual have at least two quarters of reportable wage data to be counted (if there was only one quarter they were removed). If they only had two quarters of reported salary, they would report the other two quarters as zeroes. Mr. Perry recommended piloting the system with a few schools and to compare the numbers from different methodologies, and see if there is much of a difference.

Mr. Perry noted that Salary Surfer aggregates data across all institutions; however there is a method to display school specific data, though it has a slightly different methodology.

Mr. Carreon asked for an estimate of startup cost for a system similar to Salary Surfer, as well as the cost on an annual basis. Mr. Perry estimates that it would cost around \$500,000 a year or less, and depending on how automated the system is, the cost could be lower.

There was no public comment.

Agenda Item #5 – Review of High Technology Program Student Complaints

Ms. Wenzel began by reviewing the High Technology Program Student Complaint Summaries, and advised that the Task Force keep these in mind when making their recommendations. The Task Force invited Benjamin Triffo, BPPE, to speak to the Task Force in order to provide additional details on the complaints. Mr. Triffo stated that the majority of the complaints were received by the Bureau, and that they were briefly summarized to ensure confidentiality. Mr. Triffo also examined various online reviews of high technology program. Mr. Triffo chose online complaints that were part of more balanced reviews (did not score the program a zero or one), and categorized all of the complaints by topic. Mr. Carreon asked about the status of dissatisfied students that Angela Perry, Public Advocates, was going to attempt to bring to speak with the Task Force. Mr. Triffo stated that as of the last time he spoke with Ms. Perry she had not been able to provide any students to speak.

Ms. Simon added that the items that were reviewed should definitely be considered when making recommendations, but also made note that many of these complaints are already addressed in an institution's minimum operating standards.

Mr. Crawford noted that many of the complaints have to do with student's preparedness, and that this usually seems to be addressed in the selective admissions process of high technology programs. However, it may be beneficial to have a disclosure that states expectations of students in the program.

There was no public comment.

Agenda Item #6 – Discuss Task Force Report Content, Mandated by California Education Code (CEC) section 94880.1

(a) Review Potential Recommendations from Previous Meetings

Mr. Crawford reviewed the document that summarized the potential recommendations from previous meetings, and it was recommended by Mr. Carreon that the Task Force review the items on the sheet line by line. To ensure that any recommendations are as accurate as possible, Mr. Carreon reviewed the definition of "High Technology Program" that is part of the preliminary draft of the Task Force

report. The Task Force was comfortable with the definition; however it was recommended to have the component regarding text books removed.

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

In order to set reasonable student expectations, the Task Force decided that there may be additional disclosures required depending on the nature of the program. Mr. Carreon recommended having a section of the course catalogue titled “Program Rigor” that details and lists characteristics of the program (pre-work expectations, collaborative nature of the program, time commitment, etc.) that are not disclosed elsewhere. Additionally, there will need to be a section on the enrollment agreement that the student initials and dates attesting that they have been shown this additional information in the course catalogue. Mr. Carreon and Ms. Simon will work on specific language that needs to be included around this area.

The Task Force also addressed the need for career service support offered by an institution to be fully disclosed to any potential student. It was decided that during the “High Technology Program” component of the mandatory licensing workshops there will be a discussion regarding career services. If an institution decides to offer career service support at their location they will be required to disclose in their course catalogue the exact services offered, along with any expectations of active student participation in the career search.

The Task Force also reviewed the idea of additional disclosures for continuing education/non-job seeking students, as well as additional refund policies; but at this time the Task Force had no recommendations on these topics.

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

The Task Force next discussed Mr. Perry’s testimony, and the feasibility of having a program similar to that of Salary Surfer. The recommendation was made that reporting utilizing base wage data would be consistent with other industries, and allow for maximum data integrity. At a minimum there will be a pilot program that includes “High Technology Programs.” This program will be based upon the same methodologies of those used by the community college program, Salary Surfer. A part of this recommendation will be that the Legislature amends EDD code to allow the BPPE access to the Base Wage Data. However, unlike Salary Surfer, the Task Force recommends that their data be broken down by institution, not aggregated over the entire private postsecondary sector. The data though will still be reported by median salary, and not an average. The Task Force will work collaboratively to determine the specifics of the program before the next draft of the report is completed.

Next the Task Force reviewed the modified School Performance Fact Sheet (SPFS) that was provided by Mr. Carreon and Ms. Simon. This modified SPFS would be used at institutions that offer High Technology Programs. The SPFS takes into account the proposed regulations around reporting requirements (specific language, gainful employment, etc.), and removes unnecessary tables (i.e. 150% Completion

Rate, Exam/Licensure Table, Financial Aid information, etc.). As well, the Salary/Wage table will be replaced with the data from the EDD base wage match.

The Task Force also reviewed any potential recommendations around soft skill development. While there will be no formal requirements/recommendations around soft skill development, there will be an amendment to the High Technology Program definition in the report that lists “employer desired soft skills” as a characteristic of these programs.

No public comment.

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

Finally, the Task Force reviewed potential recommendations for steps that the state of California can take to help foster growth within the high technology sector. They first looked at simplifying the current application process to gain Bureau approval. In order to do this, if an institution meets the definition of a “High Technology Program” they will be required to attend a mandatory licensing workshop. This workshop will cover all topics that are addressed in standard Licensing Workshops, along with program specific items such as career support services, and financial documents (largest reason for delay in application approval). Along with the mandatory workshops, High Technology Programs will also have a designated point of contact within the Bureau that will be on hand to answer program specific questions. Finally, there will be a Program Advisory Committee that will take the place of the Quality of Education Review. The make-up of this Program Advisory Committee is currently being drafted by Ms. Rust. The Task Force waits on her potential recommendation on this topic.

While on the topic of “State Steps” the Task Force discussed general recommendations (there will be an attempt at acquiring a subject matter expert). The Task Force recommended that there be a form of outreach to underserved communities and state-funded scholarship programs. More detail will be provided on these topics once the Task Force has reviewed what steps the state of California is currently taking around these areas.

There was no public comment.

Agenda Item #7 – Recommendations for Next Meeting’s Agenda Items, Future Meeting Dates

The goal is to have the next Task Force meeting on October 29th where there will be a review of any next draft of the Task Force report, a more in-depth review of the Program Advisory Committee, and any subject matter experts that are available.

Agenda Item #8 – Adjournment

The meeting adjourned at 3:21 pm.