



Advisory Committee Meeting Minutes
Wednesday, August 26, 2020

WebEx Meeting

Advisory Committee Members in Attendance

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

Committee Members Absent

Senator Steven Glazer (Sarah Mason)
Diana Amaya
Natalie Lyons

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

Dr. Michael Marion Jr., Bureau Chief
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
Doug Smith, Bureau Legal Counsel

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

Committee Chair, Katherine Lee-Carey called the meeting to order at 9:30 AM.

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

Grant Elliott provided a public comment.

Agenda #3 - Review and Approval of February 19, 2019, Advisory Committee Meeting Minutes

Margaret Reiter moved to amend the minutes to change the word “transcribed” to “transferred” on page 10 of the meeting minutes. Ms. Reiter moved to approve the minutes as corrected; Thomas Wong seconded the motion. (Joseph Holt: Aye; Ms. Lee-Carey: Aye; Dr. Robert Snowden: Aye; David Vice: Abstained; Leigh Ferrin: Abstained) 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 on the Department of Consumer Affairs (DCA).

Ms. Holmes reported on new appointments by Governor Gavin Newsom at the Business, Consumer Services and Housing Agency (BCSH) and DCA. She stated that Lourdes Castro Ramirez was appointed the new Secretary of BCSH. She noted the appointment of Jennifer Simoes as DCA’s Deputy Director of Legislation and Megan Allred as Assistant Deputy. She added that Christine Lally was appointed the Chief Deputy Director of DCA.

Ms. Holmes outlined four new budgeting tools launched by the DCA Budget Office and Office of Information Services (OIS). She noted the tools include new budget expenditure and revenue reports utilizing FI\$Cal information. She stated that the four new reports include Expenditure, Expenditure Projection, Revenue, and Revenue Projection, which can be produced using DCA’s Quality Business Interactive Reporting Tool (QBIRT). She noted that these fast, accurate reports with clean data will aid Bureau leadership in providing budget reports to the Advisory Committee Members in the meeting materials.

Ms. Holmes reported on regulations. She stated a priority for DCA is improving the regulation timelines and transparency. She explained that DCA’s Regulations Unit was created by DCA

Legal to directly assist boards and bureaus with regulations packages. She added that DCA also developed an online system to manage and track regulation packages and streamline their review, called Cherwell. She stated that Cherwell testing, with a pilot cohort, is now complete. She added that there will be regular check-ins with the pilot groups to solicit feedback, and the feedback will be evaluated to determine next stages of the roll-out plan.

Ms. Holmes provided an update on DCA closures. She stated that DCA temporarily closed all offices to the public in March, in response to state and local stay at home orders to help reduce the spread of COVID-19. She noted that boards and bureaus have implemented telework plans and have required physical distancing for employees who cannot telework. She added that DCA offices reopened to the public on June 15, with preventative measures to safeguard the health and safety of employees and visitors.

Ms. Holmes reported on DCA's Board Member Orientation (BMOT). She explained that one of the few upsides to staying at home is the opportunity to expand online and remote learning. She invited the Committee to participate in DCA's Board Member Orientation, which will be offered as two half-day WebEx sessions on October 21 and 28. She noted that the training is tailored towards board members, but much of the content would have value to members of the Committee.

Ms. Reiter asked when Cherwell would become available for the Committee to view the status of the Bureau's regulations. Ms. Holmes responded that she would check on the timeline for when Cherwell will include Bureau regulatory updates.

Public Comment

No Public Comment.

Agenda #5 – Bureau Operations Update and Discussion

COVID-19 Update

Dr. Michael Marion Jr., Bureau Chief, provide an update on COVID-19. He explained that about 90% of Bureau staff started teleworking on March 13, 2020. He pointed out that the managers and chiefs are rotating in and out of the office on a daily basis to support the 10% staff still working in the office. He added that the Bureau office is open to the public with precautions in place to keep staff and public safe. He noted that a moratorium has been placed on travel.

Dr. Marion referred to Attachment 5a, in the meeting packet, entitled, "COVID-19 INDUSTRY GUIDANCE: Institutions of Higher Education, which was put out by the California Department of Public Health and Cal/OSHA" to provide information to institutions. He noted that the Bureau sent out a survey to institutions to determine ways the Bureau can assist institutions.

Public Comment

Angela Perry with the Institute for College Access and Success (TICAS) provided a public comment.

Dr. Marcy Ceranek, with the Milan Institute provided public comment.

Update on Fee Audit

Dr. Marion provided a status on the Bureau's fee audit. He stated that the issues surrounding COVID-19 has delayed the release of the audit.

Public Comment

Ms. Perry provided a public comment.

Update on Advisory Committee Handbook Revisions

Doug Smith, Bureau's General Counsel, provided an update on revisions to the Committee handbook. He stated that the handbook is still being revised, but that it should be ready by the next Committee meeting.

Public Comment

Ms. Perry provided a public comment.

Update on the Bureau's IT System Project

Robert Bayles, Bureau Education Administrator, provided an update on the Bureau's IT system project. He reported that the project team has been utilizing the agile development method and working to implement targeted minimum viable products (MVP). He explained that the two current MVPs being worked are the initial licensure to operate online application and the online complaint submission portal. He noted that the two MVPs are currently in the user acceptance testing phase. He added the goal is to have both MVPs live by the second week of September. He stated that the goal for the completion of the IT system is set for January 2022.

Ms. Reiter asked about the ability to migrate data from the current IT system to the new IT system. She also questioned about the age of records that will be transferred over. Mr. Bayles responded that data conversion specifics have not yet been worked out.

Public Comment

Ms. Perry provided a public comment.

Annual Reports (AR) Report

Mr. Bayles provided a report on the Annual Report Unit. He stated that the 2019 Annual Report portal opened on August 3, 2020.

Mr. Holt commented that there may be a spike in annual reporting deadlines being missed by smaller institutions. He questioned if there are any plans to address this potential issue. Mr. Bayles responded that the Annual Report Unit typically reaches out to offer help to institutions that need support. He added that, as the deadline nears, the unit proactively reaches out to institutions that have not submitted the Annual Report.

Public Comment

No public comment.

Quality of Education Report

Mr. Bayles provided a report on the Quality of Education Unit. He outlined Attachment 5f of the meeting packet.

Public Comment

No public comment.

Compliance and Discipline Report

BPPE Enforcement Chief, Beth Scott, provided a report on the Compliance and Discipline Unit. She referenced Attachment 5g, of the meeting packet.

Ms. Lee-Carey questioned how inspections have been handled with the COVID-19 restrictions in place. Ms. Scott responded that staff have been focusing efforts on internal desk work, preparing for inspections, as travel slowly opens back up.

Ms. Reiter questioned, as a number of institutions transfer to offering online education, how is the Bureau handling inspections. Ms. Scott stated that inspections for institutions offering online education will be handled the same way as inspections were handled prior to COVID-19.

Public Comment

No public comment.

Complaint and Investigation Report

BPPE Enforcement Chief, Beth Danielson, reported on the Complaint and Investigation Unit. She outlined Attachment 5H, in the meeting packet.

Ms. Lee-Carey asked if there has been an increase in complaints due to COVID-19.

Ms. Danielson responded that the Bureau has received 75 COVID related complaints. She noted that the COVID related complaints made up 13% of the overall complaints in Q1 and Q2. She added that 63% of the COVID related complaints were found to be non-jurisdictional. She explained that the non-jurisdictional complaints resulted in staff referring the complainants to other agencies including: the California Department of Public Health (CDPH), a different DCA board or bureau, and/or the U.S. Department of Education. She stated that the jurisdictional COVID related complaints consisted of the following allegations: difficulty obtaining transcripts and diplomas, an inability to drop classes, struggles completing assignments during lockdown, students being terminated, programs being cancelled, lack of agreed upon hands on training, lack of quality instruction, not receiving refunds, and improper school closure.

Public Comment

Ms. Perry provided a public comment.

Licensing Report

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

Ms. Santee reported that, due to COVID, there has been an increase in Change in Method of Instructional Delivery applications. She noted that the change in method applications from institutions approved by means of accreditations are reviewed by the Licensing Unit and applications from schools with full approval are reviewed by the Quality of Education Unit. She added that the Licensing, Quality of Education, and Enforcement units have been working together to address questions and changes. She continued to state that successful dialogue has been established with external agencies including the Board of Barbering and Cosmetology, CDPH, multiple accrediting agencies, and other entities. She stated that helpful tips for implementing distance education were posted to the Bureau website.

Ms. Reiter questioned how the Bureau is handling programs that traditionally require hands on training, in regard to transitioning online. She also questioned if there is a time limit on the changes being approved. Ms. Santee responded that some changes are temporary, and some are permanent. She noted that schools with approval by means of accreditation must first receive approval for the changes from the school's accreditor, prior to being approved by the Bureau. She continued that applications from schools with full approval are thoroughly reviewed, including the feasibility of the method of instruction, by the Quality of Education Unit.

Ms. Reiter stated that there is evidence of increased fraud potential with distance education programs. She urged caution to avoid a major rise in fraud in the future. Ms. Santee stated that, prior to approval, the Quality of Education Unit has multiple methods of review to ensure instructors and students are meeting benchmarks.

Public Comment

Ms. Perry provided a public comment.

Office of Student Assistance and Relief (OSAR) Report

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

Mr. Valverde reported that several in person informed choice outreach events previously scheduled, were indefinitely postponed or cancelled due to COVID. He stated that there has been a transition to online outreach events. He provided an example of the California Veteran Transition Program Workshop being held virtually. He explained that there are pros and cons of doing the workshops virtually. He stated that the pro being that attendance has remained steady and travel costs have declined. He noted that one con is that individual interactions are not the same as they were during in-person workshops. He added that OSAR is taking the opportunity to explore more of a leadership role in developing and hosting more proactive outreach content, in a virtual environment.

Mr. Valverde reported on closed school outreach events. He explained that closed school outreach workshops traditionally take place in-person, on campus, at the closing institution or a nearby location. He continued that, with COVID, closed school workshops are now taking place virtually. He noted that outreach information has previously been and continues to be provided on an individual basis, to those unable to attend a workshop. He explained that OSAR has been working with the DCA Office of Public Affairs to film and edit an asynchronous video of OSAR staff presenting a closed school workshop. He added that staff have been diligently training in WebEx, in preparation for conducting closed school outreach workshops, in the event there is an increase in closures.

Ms. Ferrin asked if OSAR tracks what percentage of students of a closed school attend the outreach events. She also asked if the percentage has been different with virtual events. Mr. Valverde responded attendance percentages would be based on student rosters provided by the school. He explained that the rosters are often imperfect, but percentages could be calculated based on the roster. He stated that the attendance at the latest virtual closed school workshop was a little lower than what would be expected in person. He noted that there are many dynamic variables that impact each event. He added that student outreach is continuously proactive, to make students aware of OSAR's services.

Mr. Valverde reported on outreach regarding Assembly Bill 1346 (Postsecondary Education: California Private Postsecondary Education Act of 2009: Student Tuition Recovery Fund). He

stated that outreach efforts have been negatively impacted by COVID. He stated that OSAR is working with DCA Office of Public Affairs. He explained phase 1 is underway and consists of doing outreach on social media. He continued that phase 2 will include a press release with a video presentation. He described that phase 3 will be a robust phone call and email campaign. He added that he would have more information at the next meeting.

Public Comment

No public comment.

Student Tuition Recovery Fund (STRF) Report

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

Ms. Reiter asked if the STRF applications include the changes made by AB 1346. Ms. Johnson responded that the STRF application is being updated to include the changes for Corinthian College students. She added that laws are included as an attachment with the application. Ms. Reiter recommended adding something to the application to point out the changes of how economic loss is defined.

Public Comment

Ms. Perry provided a public comment.

Agenda Item #6 - Status Updates on Regulations

Dr. Marion provided a status update on Bureau regulations. He reported that the final version of the English as a Second Language Program [Title 5, California Code of Regulations (CCR), Section 70000 (k)] regulatory package was submitted to DCA in July 2020. He stated that the Application for Verification of Exempt Status (CEC Sections 94874, 94874.2, 94874.7, 94874.5, and 94927.5); Title 5, CCR Section 71395) package has been returned by Agency with recommended edits. He noted that staff are still developing and editing the Compliance with Laws and Procedures (Title 5, CCR, Section 71755) and the Student Records, as well as Maintenance of Records (Title 5, CCR Sections 71920, 71930, 71940 and 71950) regulatory packages. He stated that the Annual Report (Title 5, CCR 74110) regulatory package will be submitted to DCA for review soon.

Dr. Marion noted that there has been some discussion regarding Bureau fee changes. He stated that any changes to Bureau fees would require a statutory change.

Public Comment

Mr. Elliott provided a public comment. Ms. Perry provided a public comment.

Agenda Item #7 – Future Agenda Items

Ms. Lee-Carey moved to have a discussion on COVID-19 impacts to institutional requirements and the flexibility the Bureau has to address the impacts; Mr. Vice seconded the motion. (Ms. Reiter: Aye; Mr. Wong: Aye; Ms. Ferrin: Aye; Mr. Holt: Aye; Dr. Snowden: Aye)
The motion passed.

Ms. Reiter requested an update, with a regulatory timeline, on AB 1340, AB 1344, and AB 1346, to be included in the status update on regulations agenda item.

Ms. Reiter moved to have a legal analysis from the Bureau on the definition and interpretation of economic loss, regarding STRF in AB 1346; Ms. Lee-Carey seconded the motion. (Mr. Holt: Aye; Mr. Wong: Aye; Dr. Snowden: Aye; Mr. Vice: Aye; Ms. Ferrin: Aye)
The motion passed.

Public Comment

Ms. Perry provided a public comment.

Agenda #8 – Adjournment

The meeting adjourned.