

TOPIC: DEGREE AUTHORIZATION ACT – UPDATE ON ACTION TAKEN BY THE PRIVATE OCCUPATIONAL SCHOOL BOARD REGARDING COLLEGE AMERICA – FORT COLLINS CAMPUS

PREPARED BY: HEATHER DELANGE, ACADEMIC POLICY OFFICER

I. SUMMARY

This information item is an update to the information item presented at the August 2, 2012 Colorado Commission on Higher Education (CCHE) meeting. The purpose of the item is to inform the CCHE of action taken by the Private Occupational School Board against CollegeAmerica – Fort Collins campus, an institution that is jointly regulated under the Private Occupational Schools Act and the Degree Authorization Act. The action taken against CollegeAmerica is based upon findings from three separate complaints regarding misrepresentation, deceptive sales or trade practices specific to one program offered by the school.

Pursuant to C.R.S. 23-2-103.4 (2) (a) (II), the Commission is authorized to revoke or place on probation an institution that violates laws or rules adopted or implemented by other state-level boards or agencies that have jurisdiction over the institution. College America-Fort Collins currently holds provisional status as a newly authorized private college or university.

II. BACKGROUND

Previous Action Taken by the Board of Private Occupational Schools

At the September 8, 2011 CCHE meeting, staff made a recommendation for an amendment to CCHE policy, Section I, part J of the Degree Authorization Act. The amendment allowed an institution, authorized under the Division of Private Occupational Schools (DPOS), to seek authorization from the Commission to offer degrees at the baccalaureate level and higher, thus resulting in dual authorization from the two boards.

At the October 6, 2011 CCHE meeting, staff recommended provisional authorization of CollegeAmerica's three campuses—Colorado Springs, Denver, and Fort Collins. All campuses hold dual authorization from DPOS and CCHE.

The Private Occupational Schools Board took action against CollegeAmerica-Fort Collins at its June 26, 2012 meeting based on the following summary from the DPOS Board minutes:

The Division received and investigated three separate complaints (one complaint against the Colorado Springs campus and two complaints against the Fort Collins school) concerning misrepresentation, deceptive sales or trade practices specific to the Medical Specialties AOS program offered through CollegeAmerica. The Board issued three separate written Notices of Noncompliance (“Notices”) to the School and requested responses to each. The Division and Board were able to reach a stipulation in the Colorado Springs case. However, as the Ft. Collins cases were not resolved, the Board voted unanimously to direct its legal counsel to file a Notice of Charges and proceed with an administrative hearing seeking revocation of the School’s certificate of approval to operate in the state of Colorado, and all other appropriate relief under law on the matters of non-compliance arising from the remaining two administrative complaints.

Recent Action Taken by the of Private Occupational Schools Board

In monitoring advertising and marketing pursuant to the stipulation reached in the CollegeAmerica Colorado Springs complaint, the Division identified further violations in advertising. After reviewing the “Good Neighbor” advertising campaign, the Board concurred that CollegeAmerica’s advertising campaign inappropriately used student aid as an inducement to enroll in violation of the deceptive sales and trade provision of the Act and Board rules. Therefore, the Board issued a new Notice of Non-Compliance in October of 2012. At its January 22, 2013 meeting, the Board approved a stipulated agreement and final order that redressed the noticed violations of deceptive sales and trade provisions. Specifically, the agreement required CollegeAmerica to modify language in its “Good Neighbor” advertising campaign that suggested the recipient of the mailer had been pre-selected to receive student aid without fulfilling any other qualifying criteria. The Board specifically mandated that CollegeAmerica state: *“Scholarship awards are limited and only available to those who qualify. See www.scholarshipshc.com for details.”* Any and all qualifying criteria or disclaimer must be proximately located and clearly stated or referenced via link that contains all necessary information. The Board further ordered the school to cease using misleading language that explicitly or implicitly uses aid as inducement in any other advertising or marketing through any media or representation (written or oral).

On February 8, 2013, the Board’s Chair, DPOS Director Lorna Candler, and Assistant Attorney General Erica Weston attended a confidential mediation of the Board’s action against CollegeAmerica’s certificate to operate its Fort Collins campus. Litigation is still pending before the Office of Administrative Courts.

III. STAFF RECOMMENDATIONS

This item is for information purposes only; staff makes no recommendation.

STATUTORY AUTHORITY

§ 23.2.103.4, C.R.S.