

STATE OF COLORADO

Department of Higher Education DIVISION OF PRIVATE OCCUPATIONAL SCHOOLS

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FREQUENTLY ASKED QUESTIONS: CLOSURE OF THE BOULDER COLLEGE OF MASSAGE THERAPY

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Q. Why did the Boulder College of Massage Therapy close?

A. The Division of Private Occupational Schools attempted to support the school in its efforts to regain financial stability and to resolve other important issues. Several factors contributed to the closure:

1. The United States Department of Education determined the school had failed to maintain the financial stability required under the guidelines pertaining to institutions accessing funds for student loans. In June, the department notified the school’s president of its emergency action barring the school from accessing program funds, meaning student loans were no longer available to students.
2. The Accrediting Commission of Career Schools and Colleges placed the school on probation for the following reasons: financial instability; insufficient number of managers and administrative employees necessary to support the school’s operation; failure to comply with the association’s *Rules of Process and Procedure, Standards of Accreditation*; deficiencies with externship coordinator; false, misleading, and/or inaccurate advertising.
3. The DPOS Board considered the information from USDOE and ACCSC. See the following Q&A.

Q. Did the state close the Boulder College of Massage Therapy?

A. No. The Colorado Board of Private Occupational Schools, after learning of the actions taken by the U.S. Department of Education and the Accrediting Commission of Career Schools and Colleges, also learned the school was not in compliance with its real estate bond financial obligations. This risked the security of the school building.

The Board determined that the recent emergency action ceasing federal funds, combined with the probable loss of accreditation, further compounded the school's financial stability and violated multiple minimum standards under the state's law and rules governing the Board and Division to act to protect the best interests of the students.

The Board was notified that the school was unwilling to close and relinquish train out for its students in a financially secure, accredited school. The Division of Private Occupational Schools then notified the school that it would issue a Notice of Non-Compliance containing all violations cited by the U.S. Department of Education, the accrediting commission and each violation of the Private Occupational School Act. The school agreed to closure in lieu of the Notice.

Therefore, the school ceased operation as an authorized private occupational school effective June 16.

Q. What are the options now available for students of the former Boulder College of Massage Therapy?

A. Students have the following options detailed below: "train-out"; refund on surety bond; transfer; closed school loan discharges; or none of the above.

Train Out: In the event of a school closure, the Board must provide students with an opportunity to "train out" (continue course of study) at a Board-approved school, if possible. To protect the students, the Division identified and its Board approved the Colorado School of Healing Arts (CSHA) as an accredited school able to accommodate via transfer or "train out" most or all students of the Boulder College of Massage Therapy. The Colorado School of Healing Arts will be able to provide students with a program substantially similar to that of the Boulder College of Massage Therapy. The Colorado School of Healing Arts train out agreement will replace the original enrollment agreement from the Boulder College of Massage Therapy: all credits will be honored by CSHA as the train out school and any tuition due by the student must be in accord with the original enrollment agreement.

Q: How is a "train out" financed? While DPOS is not authorized to mandate use of federal funds by CSHA (or any other school who may be approved in a train out), it is authorized to make demand on the "surety" of the school ceasing operation. The "surety" is a fund payable to the Division in order to finance a train out or refund of pre-paid unearned tuition. To the extent practicable, the train out will be funded by the "surety".

Q: Can another school provide the "train out"? Until and unless the Board approves a school to provide a "train-out" no other school is authorized.

Refund on Surety Bond:

Q. Can students request a refund of their pre-paid tuition instead of a “train out”? A student may elect to receive a refund from the closing school’s surety only for pre-paid unearned tuition. It is possible those students may only receive a pro-rata share of their unearned pre-paid tuition.

Transfer:

Q. What if students want to transfer to a school other than the Colorado School of Healing Arts? Each student has the option of transferring to another school of his or her choice to continue training and education. DPOS does not have the authority to require schools to honor transferring students’ credits. Rather, the school has the authority to determine what credits it will transfer.

Q: How will students finance their education if they transfer to another school?

Students who wish to transfer to Colorado School of Healing Arts (or other accredited schools who participate in Federal Student Aid Programs (FSA)) will be permitted to use any remaining Title IV funds that they are eligible for to finance their education by entering a new enrollment contract with the school the student transfers to. If the transfer school is not authorized to participate in FSA or if a student is no longer eligible for student aid, the student will need to finance their education by other means.

Closed School Loan Discharges:

For general information about loan discharges, please contact the United States Department of Education or visit www.studentaid.ed.gov. Select the “repaying” tab, then select the “Loan Discharge (Cancellation)” link. The Division does not have the authority to make decisions with respect to federal student aid.

Q. Could the Boulder College of Massage Therapy re-open? Could the Healing Spirits school move into the Boulder building?

The Division has *not* received an application from BCMT, Healing Spirits or any other entity to operate another school at BCMT’s current location. Given BCMT’s financial situation and the other circumstances explained above, the Board would likely require additional information and assurances to protect students before it would approve such an application. At this time, it does not appear that there is a viable option to continue to serve currently enrolled students at BCMT’s location, whether through BCMT or any other entity.

Q. Where can students go for more information?

United States Department of Education (USDOE) www.ed.gov

Accrediting Commission of Career Schools and Colleges (ACCSC) www.accsc.org

Colorado Division of Private Occupational Schools (DPOS) <http://highered.colorado.gov/dpos>
(303)866-2723