

**BOARD OF PRIVATE OCCUPATIONAL SCHOOLS
INTERIM BOARD MEETING
March 12, 2015 10:30 A.M.**

The Private Occupational Schools Board convened at the Colorado Department of Higher Education located at 1560 Broadway, Suite 1600, Denver, CO 80202. Steven W. Steele, Chair, called the meeting to order at 10:33 A.M. and greeted guests. The Board members, Division staff and guests were introduced. Board roll call was taken. A quorum and a two-third majority of the Board members were present.

Board Members Present:

Arlene Rae Malay

Board Members Present Via Telephone:

Steven W. Steele, Chair	Joseph James Wolf	Arlene Rae Malay
Richard Semakula	Shelley Krovitz	Jean Robinson

Division Staff Present:

Lorna Candler, Director	Mary Kanaly, Deputy Director & Compliance Officer
Bernadette Esquibel, Program Coordinator	Loretta Perez, Administrative Assistant III

Board Counsel Present:

Kimberly Spiering, Assistant Attorney General, Office of the Colorado Attorney General

Department of Higher Education Present:

Inta Morris, Chief Advocacy & Outreach Officer
Heather DeLange, Academic Policy Officer
Julie Poppen, Communications Manager

Guests Present:

Eric Juhlin, CollegeAmerica – CEO - All Locations
Rozann Kunstle, CollegeAmerica - All Locations
Suzanne Scales, CollegeAmerica – Denver
Kiersten Murdoch, CollegeAmerica – Colorado Springs
Joel Scimeca, CollegeAmerica- Fort Collins

A. New Business/Action Items

1. CollegeAmerica – Pending matters

Board Chair, Mr. Steele, recused himself from this matter, and turned the meeting over to Ms. Malay, vice chair.

Ms. Malay asked Director Candler to briefly summarize the issues to be addressed by the Board. Director Candler briefly advised the Board of the fact that two of CollegeAmerica's bonds will expire on April 11, 2015. Therefore, time is of the essence. In order to remain compliant with the rules and regulations, CollegeAmerica must have both reinstated by March 24, 2015, which is 15 days prior to expirations as required by C.R.S. § 12-59-113. It is also important to address the financial concerns raised by the USDOE's letter placing CollegeAmerica on HCM1 status.

Director Candler explained that the Board's financial expert had some questions regarding the financial stability ratio composite score as well as how the school planned to meet the requirement for a 71 million dollar irrevocable letter of credit.

Mr. Juhlin had an opportunity to address the questions raised by the Board. First, Mr. Juhlin provided a summary of the schools assessment of their relative financial stability; and asserted that CollegeAmerica had a stronger cash flow than is reflected by the composite score because of the corporation's conversion to a non-profit entity. Mr. Juhlin acknowledged that CollegeAmerica would have difficulty securing via letter of credit an amount commensurate with 50% of the total funds received through participation in HEA Title IV federal student aid programs but further explained that CollegeAmerica was confident that it would be successful in reducing the required letter of credit significantly and would remain financially viable. In order to successfully reduce the letter of credit amount, CollegeAmerica must provide a response to the January DOE letter requiring a provisional certification alternative by April 11, 2015. Mr. Juhlin agreed to provide the Division with a copy of the response to DOE with all relevant attachments.

In response to Mr. Juhlin's explanation, the Board members requested specific documentation that supported his assertions. Specifically, the Board requested: the 2013 audit, monthly reports of prepaid tuition directly from campus view and further requested that he provide student ledger cards from June of 2014 to December of 2014. The Board requested a copy of all analysis and documentation provided to DOE in response to clarifying the school's financial stability composite score and information related to the school's position that the LOC should be reduced.

2. Massage School of Colorado – pending matters

Mr. Steele rejoined the meeting. Assistant Attorney General Kimberly Spiering provided an update of the Quinn matter. First, she explained that Mr. Quinn was seeking a resolution in lieu of proceeding to trial before the OAC. Mr. Quinn proposed that he receive a probationary status for one year as opposed to a summary suspension resulting in revocation of his certificate to operate. The Board made clear their will to have Mr. Quinn acknowledge violations of the minimum standards identified in the Summary Suspension and stated that it would require a one year suspension of the certificate to operate. While the Board agreed that Mr. Quinn could reapply for his certificate to operate after a year, it clarified that it would consider his application but could not guarantee the outcome. The Board further requested that the Division ensure that Mr. Quinn was not continuing to operate his private occupational school.

Other Business:

None.

Adjournment:

There being no other business, Ms. Robinson motioned to adjourn the Board meeting. The motion was seconded and duly passed. The Interim Board Meeting of March 12, 2015, adjourned at 12:03 A.M.

The next regularly scheduled meeting of the Board is Tuesday March 24, 2015, at 9:30 A.M. and will be held at:

Auraria Higher Education Campus
Tivoli Student Center, Room 320
900 Auraria Parkway, Denver, CO 80204
Telephone (303) 866-2723