

EDUCATIONAL APPROVAL BOARD MEETING

Thursday, December 9, 2004
1:30 p.m.

Eighth Floor Board Room
30 W. Mifflin Street
Madison, WI 53703

Members Present: Christy L. Brown, Michael Cooney, Terry Craney, Joe Heim, Rick Raemisch, Monica Williams

Members Absent: John Scocos (Excused)

Others Present: David Dies, Joan Fitzgerald, Linda Heidtman, Blanca James, Patrick Sweeney, Educational Approval Board; Seth Perelman, John Rosinski, WDVA; Brian Elliott, Whyte Hirschboeck Dudek SC; Henry Herzing, Don Madelung, Herzing College

The chair of the Educational Approval Board (EAB), Terry Craney, called the meeting to order at 1:40 p.m. All members were present with the exception of Mr. Scocos and Mr. Heim. It was noted that Seth Perelman, Deputy Secretary for the DVA, was present and would observe the board meeting due to Mr. Scocos' absence. A motion (Brown/Williams) to approve the minutes of September 9, 2004 was adopted unanimously.

BOARD CHAIR'S REPORT

Mr. Craney indicated that he had attended the EAB conference in Madison. He stated that there were approximately 70 to 75 participants and thought the conference was well received. He presented opening remarks and had the opportunity to meet school representatives. Mr. Cooney, who also attended the conference agreed it was a good conference.

Mr. Craney reported that on December 8, 2005 he met with Marc Marotta, Secretary of the Department of Administration, to update him on activities of the EAB. Mr. Marotta indicated that he was very appreciative of background information. The two also discussed letters directed to Mr. Marotta regarding financial aid funding for EAB-approved schools.

Mr. Craney also noted that the EAB executive committee had met on three occasions to discuss the executive secretary's performance evaluation and will present recommendations to the board later in the meeting.

Mr. Heim arrived at 1:50 p.m.

EXECUTIVE SECRETARY'S REPORT

Mr. Dies highlighted several items contained in his executive secretary's report.

AWARENESS AND UNDERSTANDING OF THE EAB AND APPROVED SCHOOLS

External Education

On September 21, Pat Sweeney of the EAB staff attended a forum for the Building the New Wisconsin Economy (BNWE) project. The EAB submitted a policy paper that specifically looked at the roles, responsibilities, current initiatives, existing resources, and abilities of K-12 system and higher education, and how they are assisting business and labor. Although the context paper developed by BNWE mentioned the role EAB-approved schools play, it failed to address any of the fundamental policy questions raised in the EAB's policy paper. Mr. Dies directed the board to a copy of the final BNWE context paper included in the board materials.

Mr. Dies also referred to the closed schools list that was developed and disseminated. He pointed out that the list was created because there was no comprehensive state resource available to help individuals find student records for schools that have closed. Presently, there is no state records retention policy but the EAB is currently pursuing one in the budget. Mr. Dies recognized the work of EAB staff who did a tremendous job putting the list together.

POSITIVE WORKING RELATIONSHIPS AND ALLIANCES

Approved Schools Conference - Mr. Dies commented that the conference and pre-conference workshop were very successful; and that based on the returned evaluations it was one of the best conferences to date. Next year's conference will take place on November 9 and 10, 2005.

Department of Public Instruction - It was reported that the EAB is still waiting for a legal opinion from the Attorney General on the issue regarding EAB's oversight of alternative teacher licensure providers.

Department of Transportation - On September 8, Joan Fitzgerald and Mr. Dies met with officials from the Department of Transportation to discuss third party testing and other issues pertaining to better regulation of the truck driving schools.

CONSUMER PROTECTION AND EDUCATIONAL CHOICES

Department of Agriculture, Trade, and Consumer Protection - It was reported that a meeting with officials at DATCP has been scheduled to discuss the role the EAB plays in protecting students, its scope of approval, and exploring collaborative initiatives. The EAB has been receiving many referrals from DATCP for which the EAB has no oversight.

OPERATIONAL / ADMINISTRATIVE POLICIES AND PROCEDURES

Personnel - An LTE has been hired to perform required maintenance on the EAB website and integrate a number of school search enhancements.

Budget - A final reconciliation for FY 04 shows the retained earnings balance is a little less than what was reported at the last board meeting, which were preliminary numbers. Supporting information was included in the board materials.

SCHOOL APPROVAL ISSUES

Mr. Craney introduced the School Approval Issues paper and indicated that a motion for the approval of items A-F would be appropriate following any discussion.

Mr. Dies mentioned that EAB staff has determined two industry-recognized certificate programs fall under EAB's regulatory oversight. He reported that the EAB is working to approve yoga instruction schools that certify individuals as registered yoga teachers. Four such training programs currently operate in Wisconsin. In addition, the EAB staff is working to define scuba instruction offered at the instructor level that has an occupational objective, and therefore requires EAB approval. Based on its review, the EAB concluded instruction offered at the divemaster and assistant instructor levels are recreational in nature and such programs do not need approval, whereas programs at the instructor level and beyond do need approval.

Mr. Dies reported that the University of Phoenix and the US Department of Education have reached a settlement regarding concerns over the company's practices in compensating student recruiters and accounting for enrollees.

There being no further discussion, a motion (Williams/Raemisch) to approve items A - F of the School Activity Report was approved unanimously.

Mr. Raemisch departed the meeting due to another obligation.

STATE FINANCIAL AID

Mr. Craney referred to two letters that had been sent to DOA Secretary Marc Marotta. The first from Dan Clancy, Interim President, WTCS; Kevin Reilly, President, UW System; and Rolf Wegenke, WAICU, expressing concerns about the EAB's efforts to establish a financial aid program for schools approved by the EAB. The second was from Henry Herzing, President, Herzing College, which was in response to the concerns raised by the first letter. Mr. Craney said that when he met with Mr. Marotta, there did not seem to be much concern about the content of letters by DOA.

Mr. Craney referenced an email sent to board members from the executive secretary that challenged the accuracy of the Clancy et. al. letter. He also noted the EAB strategic plan includes an objective to pursue and/or support efforts that would enable students attending accredited degree-granting schools approved by the EAB to receive financial aid. However, because the agenda item is listed for discussion, any action by the board would need to occur at a subsequent meeting.

Mr. Dies indicated that it was important for the board to be supportive of the EAB's strategic plan objectives. He indicated that the strategic plan provides direction to the board and staff on where it is going and what it should be doing.

The inclusion of this particular issue as a strategic objective was based on the fact that it would be good public policy. One only needs to take a look at the research and data, and then take a look at the things Wisconsin is trying to address in terms of its economy. He referred board members to the briefing paper provided.

Mr. Cooney mentioned that with today's budget deficit, the EAB would need to take a look at its priorities and whether or not this is a good time to introduce it. Mr. Dies responded by indicating this is why the initiative was not pursued as part of the EAB's budget request. Mr. Craney stated that this issue highlights the need for the board, being a new board, to define its role as a regulatory body for schools and an advocacy body for students.

Ms. Williams asked about the negative effects that would result from the board pursuing a financial aid initiative. Who would have the most concerns? Mr. Dies explained that there are three financial aid appropriations – one for the UW, one for the Tech Colleges, and one for private non-profit (WAICU) schools. Mr. Dies indicated that an initiative to provide financial aid to schools that are approved by the EAB would most likely require the creation of a new appropriation so that it would not directly affect those other sectors. However, any new appropriation that requires funding would arguably reduce the amount of funding that would be available for other three appropriations.

The board invited Henry Herzing to comment on the matter. Mr. Herzing thanked the board for its focus on students. However, he commented about the equity of the issue. Mr. Herzing pointed out that those students attending private schools and colleges are taxpayers and are paying the full cost of their education. Part of the tuition is going back to the state because the schools pay real estate taxes, as well as taxes on any excess (profit) the school has. Mr. Herzing asked the board to support this issue because the students are being discriminated on the basis of which type of school they choose to attend. Ms. Brown requested a copy of Mr. Marotta's letter responding to Mr. Herzing.

Mr. Heim suggested that this item be brought to the board again in six months after the budget has passed for further discussion. Mr. Craney indicated that this item would be added to the agenda for the September meeting.

2005-07 LEGISLATIVE INITIATIVES

Mr. Craney indicated that the EAB staff had developed a summary document of those issues whose implementation requires some type of separate legislative action. Mr. Craney pointed out that within the state budget section, student financial aid was addressed but is not being pursued by the EAB as part of the 2005-07 budget. The other four items – state records retention, student protection fund transfer, certification of massage therapists, and the Chapter 20 and statutory language placement – were included in the EAB's budget request.

In addition to the budget-related items, the document identified a number of potential items that would require separate legislation. These items would address the scope of EAB approval, protected educational terms, an education tax credit, intermediate sanctions, defining the definition of a degree, and the oversight of GED (high school equivalency) schools.

Mr. Dies provided examples of situations that indicate the need for further involvement and/or oversight from the EAB. He also pointed out that the above items are included in the agency's strategic plan; and that staff is looking for direction from the board members as to whether or not it supports these issues.

Discussion took place on the issue of tax credit, school and program definition, GED schools and current providers, and scope of EAB approval. EAB staff will continue to develop and pursue these initiatives.

MEETING DATES FOR 2005

A briefing paper prepared by Mr. Dies provided board members with several options for meeting dates in 2005. A motion (Heim/Brown) to hold meetings on March 10, June 16, September 8, and December 8 in 2005 was unanimously approved. Ms. Brown reminded the board that she would not be available to attend the next meeting in person, but might be available to join the meeting via teleconference.

Mr. Dies asked if the board would be interested in changing the venue of its meetings. Choices of different cities or locations were suggested. Mr. Craney indicated that perhaps the June meeting could take place in a different place or location.

EXECUTIVE SECRETARY PERFORMANCE EVALUATION

Mr. Craney informed board members that the executive committee had met three times to address the executive secretary's performance evaluation and compensation, as directed by the board. Mr. Craney thanked Ms. Brown for taking the lead on developing the performance evaluation tool.

Ms. Brown reminded members that it had been the expressed desire of the board to have the executive committee look at the evaluation and compensation of the executive secretary and to make recommendation at the December meeting. Ms. Brown mentioned that the proposed performance tool is consistent with what Mr. Dies uses with EAB staff and what DVA uses. She noted that the EAB strategic plan and Mr. Dies' position description have been used to develop this evaluation tool. In addition, the executive committee is recommending that the chairperson be responsible for meeting with the executive secretary to review and set performance expectations. The chairperson would also coordinate input about the executive secretary's performance from board members and make a recommendation to the board.

A motion (Brown/Cooney) to approve the performance planning and development (PPD) report for the EAB executive was unanimously approved.

Mr. Heim asked to have the strategic fit category explained. Mr. Dies indicated that the category is something he uses with his staff. A motion (Heim/Williams) to remove the strategic fit category from the PPD was unanimously approved.

After further discussion, a motion (Brown/Cooney) was made that the board delegate to the EAB chairperson the responsibility of meeting with the executive secretary to perform a planning session at which time they would set performance expectations and standards for this fiscal year ending in June 2005. Further, the motion would delegate to the chairperson the responsibility of coordinating the performance review and presenting a recommendation to the board.

Ms. Brown stated that she thought it would be appropriate to have the chairperson represent the board's interest in carryout this task. Mr. Heim asked what the role of the board would have following the initial planning session. Mr. Craney indicated that the PPD would be given to the board members to provide their input and he would be responsible for incorporating that into a recommendation for consideration by the board.

Ms. Williams asked when board members would be requested to provide their input. Ms. Brown said that Mr. Dies should be evaluated before June 30. Mr. Craney said that the process would start within the next month or so. Mr. Dies added that his PPD would be kept in his official state personnel file kept in the DVA's personnel department.

There being no additional discussion, the motion was approved unanimously.

MOTION TO CONVENE A CLOSED SESSION

Mr. Craney called for a closed session under s.19.85 (1)(c), *Wis. Stats.* to consider the performance and compensation of the executive secretary in accordance with s.45.54 (5), *Wis. Stats.* A motion (Cooney/Brown) to hold a closed session was approved unanimously.

RECONVENE IN OPEN SESSION

The board reconvened at 3:35 p.m. in open session. A motion (Brown/Heim) was made to award a discretionary compensation adjustment to the executive secretary (David Dies) by increasing his hourly salary to \$33.53 per hour effective Monday, December 13, 2004 was approved unanimously.

Ms. Brown commended Mr. Dies and said he has demonstrated outstanding work during the past six months in which current board members have worked with him. Mr. Dies thanked the board and suggested the chairperson send the DVA personnel office a memorandum informing them of the board's action.

ADJOURNMENT

There being no other business to come before the board, a motion (Cooney/Heim) to adjourn was unanimously approved at 3:49 p.m.