

EDUCATIONAL APPROVAL BOARD MEETING

Wednesday, December 15, 2010

10:30 a.m.

8th Floor Board Room
30 West Mifflin Street
Madison, WI

Members Present: Michael Cooney, Terry Craney, Joe Heim, Jo Oyama-Miller, Rick F. Raemisch, and Monica Williams

Members Absent: Christy L. Brown

Others Present: David Dies, Zachary Galin, Linda Heidtman, Blanca James, Pat Sweeney, *Educational Approval Board*; Robert Myers, *American College of Education*; Bill Hillard, Sheryl Moody, Jennifer Paugh, *Anthem Education Group*; Harriet Callier, *Aracopa Coalition*; Brian Newman, *Association of Private Sector Colleges and Universities*; Peter Pavone, *Bryant & Stratton College*; Jeunet Davenport, *DeVry University*; Mark Sullivan, *Everest College*; Raymond Carey, *Foley & Lardner*; Tom Kosel, Kimberly Stevens, Shana Weiss, *Globe University*; Don Madelung, Brian Olson, Matthew Schneider, Jody Wasmer, Brian Willison, *Herzing University*; Jarvis Racine, Bill Vinson, *ITT Technical Institute*; Jean Janes, *Kaplan Higher Education*; Harry Heifetz, Pat Osborne, *Midwest College of Oriental Medicine*; Scott Borley, Tawnie Cortez, Kristin Melby, Shawn Walden, *Rasmussen College*; Rachelle Perotto, Mark Szolyga, *Sanford-Brown College – Milwaukee*; Rachel Rodriguez, *State Representative Leon Young’s Office*; Ann-Marie Drews, *TechSkills*; Fritz Oppenlander, *Upper Iowa University*; Shamane Mills, *WI Public Radio*

The chair of the Educational Approval Board (EAB), Michael Cooney, called the meeting to order at 10:36 a.m. A motion (Craney, Oyama-Miller) to approve the September 15, 2010 board meeting minutes was adopted unanimously.

BOARD CHAIR’S REPORT

Mr. Cooney gave an overview of the meeting, which included three action items—school approval issues, new board meeting dates, and the EAB’s renewal fee multiplier; followed by a presentation and discussion about school performance data. The public was invited to comment from a school’s or general public’s perspective.

Mr. Cooney reported on the unfavorable and negative view of the private school sector by the media and federal government. Information about the federal program integrity rules is provided in the board materials and will be further discussed under the board status report.

Ms. Williams and Mr. Heim arrived at 10:38 a.m. and 10:39 a.m., respectively.

BOARD STATUS REPORT

Mr. Dies reminded board members and the public that the board status report was aligned with the EAB's strategic goals. He moved on to highlight several items. The complete board status report can be found in the board materials provided at the meeting and on the EAB's website.

Involvement in Postsecondary Education Policy Decisions

Federal Program Integrity Rules – Mr. Dies briefly described the rule and the new federal requirements. He summarized what the federal government will be requiring of states. It will require Wisconsin and the EAB to make some changes because of the EAB's exemptions currently in law. The consumer protection function requirement for schools approved by the EAB is already being met. However, institutions that are exempt will need to be either specifically named in statute as exempt or approved by the EAB. The EAB has shared information with the Department of Administration, the Fiscal Bureau and the chairs of the higher education committees in the Senate and Assembly about state's need to address the new federal rules. This issue is brought to the board's attention because there could be anywhere from 12 to 36 additional institutions falling under EAB's oversight, which will be an issue for the EAB due to the additional workload.

Massage Therapy Board – Mr. Dies briefed the board on the creation of a new massage therapy credentialing board and the members currently appointed to oversee newly created licensure requirements. He pointed out that the EAB-approved school member had not yet been appointed.

Positive Working Relationships and Alliances

EAB Approved Schools Conference – Mr. Cooney commented on the success of the conference. Next year's conference is scheduled for Thursday, November 17, 2011.

Nursing Board – Mr. Dies reported that the Department of Regulation and Licensing (DRL) had contacted the EAB and is interested in working collaboratively on matters involving those EAB-approved schools that offer nursing programs.

SCHOOL APPROVAL ISSUES

Mr. Dies summarized actions taken by staff, specifically, the revocation of approval for John Robert Powers; the cease and desist letter to Westwood College; and the concerns over Anthem College's staffing and program issues.

Mr. Dies reported that John Robert Powers' approval had been revoked because it had failed to maintain a surety bond required of each school. He also summarized actions taken against Westwood College and the school's response to those actions. The EAB is currently working with the Department of Justice (DOJ) on an agreement that would allow the institution to seek EAB approval and avoid certain legal liabilities.

Mr. Dies informed the board of recent regulatory action involving Anthem College, and provided recent correspondence from the school and other information identifying the sequence of events and administrative actions taken by the EAB. He indicated that the DOJ is now reviewing and providing advice on correspondence. Two individuals, Jennifer Paugh and Harriet Callier, requested to testify for and against the school. Ms. Paugh provided the board with a copy of the improvement plan that had been requested by the EAB. She further testified that year after year the school has shown improvement in their graduate placement and completion results. While there have been staff retention problems, the school feels it has seen improvement. Miss Callier gave a brief summary on her connection and involvement with Anthem. Ms. Callier testified about the decline on supplies, staff, and overall actions taken against students and faculty. She was a former Anthem instructor and provided information indicating the school is currently enrolling students in programs that were suspended. She also spoke about the school's name change and that the school had been using the wrong name.

After a brief discussion, Mr. Cooney indicated that the staff would look into Ms. Callier's comments about enrolling students on suspended programs. Mr. Dies said that with the corrective action plan, the EAB hopes to have a conversation with school officials in the near future. Mr. Dies said staff would investigate and provide a report at the next meeting.

A motion (Heim, Oyama-Miller) to approve items A through I of the School Activity Report for the period of September 11 through December 7, 2010, was approved unanimously.

2011 BOARD MEETINGS

Following a brief discussion about the proposed dates, the board's preference was for meetings to be held as follows:

Wednesday, March 9
Wednesday, June 1
Wednesday, September 14
Wednesday, December 14

A motion (Heim, Williams) to hold the board meetings for 2011 as indicated was adopted unanimously.

RENEWAL FEE MULTIPLIER

By rule, the EAB is required to establish the renewal fee multiplier equal to the percentage of all schools' total AGASR needed to equal the cost of the EAB's regulatory functions, less revenue from all other fees. Mr. Dies provided the board with a historical summary for the

renewal fee multiplier and other assumptions used to come up with the recommendation for 2011 and 2012. He noted there would not be a student protection fee assessment in 2011 because the student protection fund is slightly over the \$1M threshold. After a brief discussion, a motion (Heim, Oyama-Miller) to lower the multiplier used to calculate the second payment renewal fees for 2011 from 1.5042 to 1.1384 was adopted unanimously.

SCHOOL PERFORMANCE DATA

Mr. Dies provided background information and a summary about the school performance data agenda item. At its September 2010 board meeting, the board directed the executive committee to respond to recent concerns surrounding the business practices of the for-profit higher education sector. On October 15 the executive committee held an open meeting to discuss and comment on EAB-approved schools and their performance. A motion was made and unanimously adopted to include an agenda item about school performance based on data collected by the EAB at the December 15 board meeting. An invitation for approved schools to comment on their data and the opportunity for interested parties to comment was made to the public.

Mr. Dies explained the three different perspectives why data is collected—to allow the EAB to identify patterns and trends; to allow the school to examine itself and use the data to improve their operations; and to make it available to prospective students, which are mostly adult learners, so that they can make an informed decision about attending a particular institution. He noted that data collected is provided by the schools and discussed limitations of using the data.

Mr. Dies gave a presentation to the board and responded to questions. He was able to show how the collected data is used, where it is stored, and who uses it. He mentioned the EAB's data enhancements project that will include program alignment with CIP Codes, have online program tracking, and improve site-level reporting. He said the EAB is continuously trying to improve its processes.

PUBLIC COMMENT

School officials had their own interpretation as to what the EAB is after and how the data is going to be used. Comments and suggestions were varied. Don Madelung from Herzing University asked the board what exactly is the EAB looking for – benchmarks? He noted that the EAB has always come with a game plan to help the institutions. Looking at support and improvement processes shows the sector is doing a good job. The problem of student swirling was also introduced. Ms. Oyama-Miller indicated that she is looking for benchmarks and information that can show what the students are getting out of the training for the money they put in and looking for school improvements and schools that are making positive changes. Mr. Dies commented that institutions are being held high standards.

Jean Janes, Kaplan Higher Education, provided the board members with a copy of her comments. She indicated that the raw outcomes data provided in the directory does not provide a complete picture as presented and would like to see a more comprehensive view of its institutions in the directory.

Mr. Cooney asked whether or not demographics are what Kaplan wants. Ms. Janes said it is more context rather than demographic data. Providing a broader sense of the risk factor beyond the age factor could be submitted as a narrative to be added to the directory.

Harry Heifetz, Midwest College of Oriental Medicine wanted to address the results of data based on the definitions. He expressed his concern about those schools that have multiple programs. He said he had two possible solutions and would share them with the board.

Brian Newman, Association of Private Sector Colleges and Universities, stated that he finds the conversation refreshing since there is a discussion of data and methodology. He indicated the data provided in the EAB's website is a model to many. As a national association he believes that public policy should be driven with solid data. No system is perfect, but he commends the exercise that took place at the meeting.

ADJOURNMENT

A motion (Oyama-Miller, Heim) to adjourn was unanimously approved at 12:57 p.m.