

**Minutes of the New York State Proprietary School Advisory Council Meeting
December 14, 2010
Hosted By: New York Film Academy – 100 East 17 Street, NYC**

Submitted by: Monica Borden

Present:

Mike Hatten, Chair
Vincent Ferrara, Member
Anthony Civitano, Member
Alan Goldberg, Member
Carole Yates (BPSS), Ex-officio Member
Jorge Montalvo for Lisa Harris (CBP), Ex-officio Member
Gene Brenenson (OSC), ex-officio member

Absent:

Rabbi Yerachmiel Barash, Member
James Devaney, Member
Anthony Casale, Member
Norene Grose (HESC), Ex-officio Member
Lisa Timoney, (DOB), Ex-officio Member

Call to Order:

Mike Hatten called the meeting to order at 10:40 a.m.

Introductions:

The Advisory Council members introduced themselves – four out of seven voting members were present, so the Council was able to vote on recommendations.

Mike Hatten then introduced David Klein, from the New York Film Academy. NYFA was filming the meeting and David gave instructions to the Council and audience members regarding use of the microphones.

Overview of Meeting Agenda and Protocol:

Mike reviewed the agenda with the Council and audience and reminded people of the protocol – all discussion is among Council members unless information is solicited from the audience, until the end of the meeting, when the floor is open to all.

Approval of Minutes:

A couple changes were made (spelling and grammar) on the October 6 meeting minutes. Allan Goldberg motion to approve the October 6, 2010 minutes as amended, with Anthony Civitano as second. The motion passed with all in favor – none opposed.

Mike also provided DVDs of the October meeting to all Council members.

BPSS Update and Status Report:

Carole Yates gave the BPSS update –

- BPSS is no longer under the Office of Higher Education, and has been moved to the office of Adult Education and Workforce Development – AEWD. Carole warned the Council and audience not to become too attached to the name because the Board of Regents is looking at a different name, to be approved in the near future. She is quite certain that the new acronym will be ACCES, but there is still some discussion.
- Carole attended the Board of Regents Holiday Party on 12/13, and was updated on a few changes in the BOR:
 - Regent Cohen has retired.
 - Regent Bauman stepped down, due to illness. He was key to bringing technology to the forefront, and was an adjunct professor at the College of Nanoscience in Albany.
 - The Board recognized NYS' Race to the Top win.
- Kevin Smith recently made a trip to NYC to meet with the NYC VESID office and the BPSS – NYC office. He is learning what BPSS is all about and has shown a great deal of support to the Bureau.
- BPSS' Albany office moved in November. Everything went well, and everything is up and running.
- Layoffs – BPSS was not affected directly, however, 47 SED staff members lost their jobs.
- NYSED has a new chief operating officer – Valerie Grey. She has shown great insight into the inner workings of NYS, and has been a good resource for BPSS.
- BPSS staff has been spending an inordinate amount of time complying with FOIL requests.
- Carole has received numerous requests from the NY Daily News reporter Ben Lesser, regarding the proprietary school sector. She also referred him to the Office of Higher Education, for discussion on the proprietary colleges.
- Department of Labor – State Workforce Investment Board: Commissioner Steiner is not currently an active member, therefore Deputy Commissioner Kevin Smith has been appointed to represent SED on the SWIB.
- Certified Dental Assistant: SED's Office of the Professions has reached out to BPSS to discuss certified vs. non-certified dental assisting programs. A meeting will be scheduled and Carole hopes to update Council and audience by next meeting.
- The Fall 2010 Directors' Course has just finished – 47 new directors participated.
- Carole and Monica Borden attended the Coalition Convention in November. Carole stated that it was a great conference with great presenters.
- The ATB change, which eliminates CPAT as an acceptable entrance exam for Title IV purposes, will be effective 12/31/10. Carole and Thomas Reimer met with Mike Hatten, Richard Crance, and Norene Grose (HESC), to discuss the implications. Not only must Title IV programs change their entrance exams, but so must TAP programs, as TAP is required to use ATB exams approved by USDE. BPSS' concern with Wonderlic is that the cut score is lower than CPAT. Carole and Kevin Smith will discuss the possibility of raising cut scores for programs with increased technical focuses. TAP programs will also be integrating some GED Test Prep, with the goal that students will move forward with taking the GED. BPSS' ATB policy will be posted on Cutting Edge News by the end of the week.

- Assemblyperson Glick's office plans to meet with BPSS in January to discuss the BPSS bill, which is now a Regents priority bill.

Council Discussion on the BPSS update:

Anthony Civitano asked Carole if the Daily News was requesting information on specific schools. Carole said that they were requesting information on schools that have received disciplinary action and complaints – information was requested through FOIL.

Anthony also asked if schools currently using CPAT, can change to Wonderlic without amending their curriculum. Carole said that she would pose that question to Thomas Reimer.

Mike Hatten reminded everyone that non-Title IV and non-TAP schools may continue to use CPAT.

Anthony Civitano asked Carole if she had thoughts about the Daily News' angle (e.g. Gainful Employment, BPSS focused, etc.). Carole said that she wasn't sure; however she feared that the angle will be anti-BPSS.

Ability to Benefit Testing:

Since the discussion already began on ATB, Mike Hatten asked the rest of the Council if they had any additional questions on the ATB issue. There were no additional questions.

Mike cautioned schools that ATB is only one measure of a student's ability, and encouraged schools to find a process to ensure that all students have an ability to benefit from any program in which they enroll.

Mike also asked if anyone knew what GED stands for - General Education Development.

Article 101 – Section 5001-5010 of Education Law:

Mike Hatten said that he believes the BPSS bill will improve all facets of education in the non-degree sector. One of this sector's strengths is that it has always been asked to demonstrate outcomes, and is not afraid to do so. He asked Carole Yates for an update on support for the bill.

Carole stated the bill is currently in its 14th draft version and will post it on the website. There is support from the Advisory Council, support from the New York State Beauty School (although they want to see the most recent version), and possible support from the Coalition of New York State Career Schools.

Webcasting:

Mike Hatten thanked New York Film Academy for hosting and filming the meeting, as well as producing the final videos.

Future plans are to post the meetings on a website, which will be linked from BPSS's site - with the Council's approval.

Comments From School Administrators:

Uri Feiner, from the Institute for Integrative Nutrition, addressed the Council and audience. Uri told everyone that he was part of the Fall 2010 Directors' Course and is happy for the opportunity to learn what it's going to take to be a successful school director.

He gave a brief description of IIN, its history, and its philosophy – IIN is a leader in the field of health coach training and offers a one-year program, which teaches healthier life styles and discusses approximately 100 dietary theories. Upon completion, students are qualified to work as health coaches. Some students are already working in the health field; however their newest group of students is from the financial sector.

20 years ago, IIN started as a small program, which grew into a massive conference in NYC. It then transformed into an online program and the live lecture portion was transferred onto an iPod, and also uses webinars and online teacher interaction. The online program allows for a lower tuition rate and a better retention rate - there are currently students in 60 countries.

Mike Hatten asked how many students are currently enrolled - Uri stated that IIN currently has more than a 1000 students.

Mike then asked if IIN is accredited – Uri said that they are working toward accreditation.

Finally, Mike asked what types of certifications are offered – Uri said that there are certifications available through American Academy of Drugless Practitioners and CEUs available through SUNY Purchase.

Comments from Council:

Mike Hatten asked Carole about the status of the TRA. Carole said that the balance is currently \$2.3 million, although Division of Budget may take \$150,000. \$523,000 was taken last year, Office of Teaching was hit for \$600,000, Office of Professions' account has also been raided. The State Museum and Library will now be closed on Sunday, the Office of Cultural Education has had \$6.3 million redirected to other accounts, and even the security staff at the capital is dealing with layoffs.

Mike said that he was recently made aware of the fact that VA students of non-degree schools are eligible for \$1,000 in assistance under the GI Bill, but are not eligible for higher award of \$4,000 to under the Post 911 GI Bill. He lost two students in his schools because they could not continue without the awards. He also said that research has shown that all of his veteran graduates have been employed upon graduation, and asked the audience if they had any additional information.

Ray Testa, VP for Government Affairs from Empire Education Group, said that nothing in statute limits the Post 911 GI Bill to degree schools. The VA decided to start with degree schools first, however there is pressure from Congress to include non-degree schools as eligible. This is not the biggest issue in DC, so it may take a while to be addressed. In the meantime, he suggests that the Advisory Council adopt an official position and bring it to the NYS delegation.

Dennis Cariello, attorney for DLA Piper, stated that he received the same information as Ray Testa. He said that this is not what Congress intended, but it's currently a resource issue. Other VA programs do not have funding, such as the program that applies to spouses.

Mike Hatten asked Ray Testa if the Advisory Council's position would have an impact. Ray said that he believes so. The key players are representatives on the Armed Services and Education Committees, and the Advisory Council is an impartial body – designed to work in an advisory capacity to New York State government. Ray also mentioned that the unemployment rate for returning vets is approximately 25%.

Mike asked Carole if VA is part of SED. Carole told him that VA funds come from the federal bureau of Veterans' Administration. However, students cannot receive benefits unless they attend schools approved by the State Education Department. There have been recent cases of the VA approving benefits for students to complete programs not approved by SED. This policy is being reviewed.

Carole also said that a topic discussed at a recent Regents meeting was transitioning people with disabilities, and veterans are part of that group. However, most of the discussion revolved around college programs – this sector must be included.

Anthony Civitano commented that this appears to be a common theme – community colleges are in the forefront, but proprietary schools are not included, and Mike Hatten agreed that it's time to move this sector forward.

Anthony Fragomeni, director of Government Relations for Empire Education Group, was asked to comment. He stated that Sen. Harkin is using this as leverage to turn the discussion to how proprietary colleges are trying to circumvent the 90/10 rule. There are supporters, though, who believe in the value of proprietary education. This is not a moral issue – veterans already said 'no' to traditional education when they joined the military.

Mike Hatten asked if there was an update to the federal rules.

Anthony Civitano thanked Ray Testa and Anthony Fragomeni for their efforts on behalf of this sector, stated that schools will be required to make amendments to their advertising no later than 7/1/11, and asked Ray Testa to provide the Council with an update.

Ray Testa told the Council that he and Anthony Fragomeni met Empire Education Group's management in 23 states to work on the amendments they'll have to make, which include amendments to their catalogs, websites, and promotional materials. An example of a change will be the amended requirement for Standards of Academic Progress (SAP), using new standards for 'normal time to complete.' Since the specifics will not be released until the end of March, it will make it nearly impossible for schools to have new materials to BPSS for April 1, which is what is required for the standard 90 day review. He asked Carole Yates to consider adopting some language that would allow schools to make federal changes without **prior** approval from BPSS. Approval will be sought, but if not approved by July 1, schools will be in jeopardy of being out of compliance with either BPSS or USDE.

Mike Hatten proposed a committee meeting to focus on what BPSS needs to approve, and also invited the Consumer Protection Board to the meeting on Title IV amendments.

Ray responded that every Title IV school will be required to update their catalog, and must update the information annually.

Carole stated that she could not promise conditional approval, but would be willing to meet in January.

Anthony Civitano asked if there is a probability of the rules changing, and Ray replied that most of the rules have been finalized, although incentive compensation and gainful employment are facing legal challenges.

Mike Hatten asked Dennis Cariello what he saw as changes dealing with incentive compensation. Dennis said that schools should look at their structure – some “bonuses” or “incentives” may now be illegal for Title IV schools. He urged schools to contact USDE for clarification if they have any issues.

Anthony Fragomeni noted that these rules were drafted, based upon consumer protection issues. One point, the ATB provision, allows students to take 225 clock hours or 6 credits to demonstrate ability to benefit, however students are not eligible for Title IV benefits during that period. Will BPSS consider this provision for admission?

Jorge Montalvo stated that there is immense value in proprietary education. The CPB is active on the Advisory Council because of the working relationship that the schools have with BPSS, which is smart consumer protection.

Mike Hatten noted that the CPB was influential in helping derail the infection control bill.

Comments from Audience:

Terry Zaleski, Executive Director Coalition of New York State Career Schools:

- Asked Carole if the Office of the Professions will allow proprietary schools to offer certified dental assisting programs. Carole said that she needs to obtain more information, but it appears that the Dental board is referring schools to BPSS for licensure.
- Asked for details on the ATB compromise. Carole said that the details are not available yet, but will be soon.
- Stated that the Coalition would like to sit down with BPSS to discuss the bill.
- Informed everyone that the Coalition recently completed another successful convention with great graduate stories:
 - A 56 year old student from Refrigeration Institute, who now is an operating engineer at Yeshiva University.
 - A student from Sanford Brown Institute’s Ultrasound program, who is now an OB/GYN supervisor at Columbia Presbyterian Hospital.
- Thanked Carole Yates and Monica Borden for attending and offering workshops on BPSS requirements.

Ed Schwartz, Manhattan Institute, stated that it was the best Coalition Convention, to date. He also informed the audience that all proceeds go directly to the Convention, which is open to the public – not only to members. He also suggested that non-members become members.

Frank Talty, Refrigeration Institute and Vice-President of the Coalition of New York State Career Schools, asked Carole Yates and Gene Brenenson if there is a way to keep the TRA safe from 'sweeping.' Gene responded that his unit audits schools – it does not have any authority over the TRA. Carole stated that she had been under the impression that raiding the fund was impossible; however the legislators can change laws, as needed. Carole said that her main concern is that a school may close soon, the State is in financial turmoil, and no one knows what will happen next.

Frank also suggested to Mike that the Advisory Council create its own website, and use it as a proactive way to promote the sector.

Jay Fund, Hunter Business Schools, stated that in the future, he would like to hear more information on NYS issues – not only Title IV issues. He also asked how schools will hear about updates. Carole replied that all new information will be put up on Cutting Edge News.

Next Meeting:

The next meeting will be scheduled in March in New York City.

With no further business, the meeting ended at 1:45pm.