State Board of Proprietary Schools

North Carolina Community Colleges System Office
State Board Room, Raleigh, NC
August 7, 2015
10:00 a.m.

CALL TO ORDER

Following proper public notification, Chair Bob Hodge called the meeting of the State Board of Proprietary Schools to order at 10:00 a.m.

Members present: Scott Aaron, Bob Hodge, Kuburat Ganiyu, John Pettitt, Ashley Wallace. Victor Riley attended via telephone.

Also present: Scott Corl, Executive Director of Office of Proprietary Schools; Rasheeda McAllister, Program Auditor for Office of Proprietary Schools.

ETHICS AWARENESS & CONFLICT OF INTEREST

The Chair reminded Board members of the ethical requirements for those who serve as public servants and requested that members identify any conflicts or potential conflicts of interest that they may have with respect to any item on the agenda. Mr. Hodge advised the Board of a potential conflict with Miller-Motte College and that he would abstain from consideration of the school. Ms. Ganiyu advised the Board of a potential conflict with Young Healthcare Institute and that she would abstain from consideration of the school.

APPROVAL OF MINUTES

Mr. Hodge requested a motion for approval of the Minutes of the May 8, 2015 meeting of the State Board of Proprietary Schools. Mr. Aaron made a motion to approve the minutes as drafted. Ms. Ganiyu seconded the motion and the minutes were unanimously adopted by the Board by voice vote.

Mr. Hodge requested a motion for approval of the Minutes of the June 5, 2015 telephonic meeting of the State Board of Proprietary Schools. Mr. Wallace made a motion to approve the minutes as drafted. Mr. Aaron seconded the motion and the minutes were unanimously adopted by the Board by voice vote.

Mr. Hodge requested a motion for approval of the Minutes of the July 10, 2015 telephonic meeting of the State Board of Proprietary Schools. Mr. Aaron made a motion to approve the minutes as drafted. Mr. Wallace seconded the motion and the minutes were unanimously adopted by the Board by voice vote.

APPROVAL OF AGENDA

Mr. Hodge requested a motion for approval of the meeting Agenda. Mr. Aaron made a motion to approve the Agenda as presented. Mr. Wallace seconded, and the Agenda was unanimously adopted by the Board by voice vote.

DIRECTOR'S REPORT

- The annual meeting of proprietary schools will be held Friday, September 25, 2015 at Living Arts Institute in Raleigh.
- All schools required to file a Quarterly Bond Report have done so. Applicable bond increases have been verified.

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- DHHS withdraw approval of Priority Nursing College's Nurse Aide I program after the school notified DHHS that it did not wish to renew approval for the program. The school has been advised that approval and licensing to offer this program by and through the State Board of Community Colleges was also withdrawn.
- Brookstone College of Business Update: Student files are in the process of being prepared for transfer to the State Archives; the school is awaiting a final CPA audit to be arranged by the Department of Education in which the amount of prepaid student tuition will be determined; the Office of Proprietary Schools is drafting a letter to students regarding possible claims under the school's bond.

APPROVAL OF ANNUAL REPORT

Mr. Hodge requested a motion to approve the 2015 Annual Report of Proprietary Schools. Mr. Wallace made a motion to approve the Report. Ms. Ganiyu seconded, and the Report was unanimously adopted by the Board by voice vote. Mr. Corl will present the Report at the next meeting of the Community College Board.

APPROVAL OF 2015-16 BUDGET

Mr. Hodge requested a motion to approve the 2015 -16 Budget for the Office of Proprietary Schools. Mr. Wallace made a motion to table consideration of the budget until the Board meets in November. Ms. Ganiyu seconded, and consideration of the Budget was tabled until the November meeting.

APPROVAL OF DRAFT REVISION OF 2A SBCCC 400.2

Mr. Hodge requested a motion to approve. Mr. Pettitt made a motion to approve the Revision as drafted. Ms. Ganiyu seconded, and the Revision was unanimously adopted by the Board by voice vote. Mr. Corl will advise the General Counsel's Office accordingly.

REVIEW AND RECOMMENDATIONS FOR INITIAL LICENSING

Mr. Aaron motioned to move into closed session pursuant to North Carolina General Statute §143-318.11(a)(1) to prevent the disclosure of information that is confidential or privileged pursuant to North Carolina General Statute §132-1.2(1). After being properly seconded by Mr. Wallace, the motion was adopted by unanimous voice vote. After discussion, Mr. Aaron made a motion to return to open session. Mr. Wallace seconded, and the Board then reconvened to open session.

The State Board of Proprietary Schools recommended the following schools for initial licensure to the State Board of Community Colleges:

- The Iron Yard – Durham, NC
- Umanah Health Care Institute - Monroe
- Victory Health Career Center –Charlotte, NC
- Young Healthcare Training Institute

2B SBCCC 200.2 INVESTIGATION

Mr. Corl presented the OPS investigative report on the Wilmington campus of Miller-Motte College. The Board debated the report and available options under the Community College Code for approximately one hour. Mr. Aaron made a motion to support the recommendation in the Report to allow the school

to retain its proprietary license and to take no further action on this specific investigation. Mr. Pettitt seconded, and the Board unanimously voted to take no further action on this investigation. Mr. Corl will present the Report and Board's recommendation at the next appropriate meeting of the State Board of Community Colleges. After voting, the Board expressed frustration regarding the limited options available in the Code and directed Mr. Corl to meet with the General Counsel's Office to consider possible Code amendments regarding future investigations.

ADJOURN - There being no further business to come before the Board, Mr. Hodge adjourned the meeting at approximately 12:00 p.m.