

PROPRIETARY SCHOOLS OF NORTH CAROLINA

ANNUAL REPORT: 2017

***Submitted by the State Board of Proprietary Schools to the North Carolina Board of
Community Colleges Pursuant to §115D-89.3 of the North Carolina General Statutes.***

NORTH CAROLINA GENERAL STATUTE 115D-89.3

Pursuant to North Carolina General Statute §115D-89.3, the State Board of Community Colleges shall receive a written report annually from the State Board of Proprietary Schools to include the number of schools receiving initial licenses during the previous year, a list of currently licensed proprietary schools, school closures during the previous year, including a complete report of actions concerning any catastrophic closures, complaints received and resulting decisions or actions, total fees received, and balances of the Commercial Education Fund and the Student Protection Fund.

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ANNUAL REPORT SUMMARY

1. Initially Licensed Schools 2016-2017: 13 ----- (Table A, Page 5)
2. Proprietary School Closures 2016-2017: 7 ----- (Table B, Page 5)
3. Student Complaints and Resulting Actions: 2 ----- (Table C, Page 7)
4. Licensed Proprietary Schools 2017-2018: 89 ----- (Table D, Page 8)
5. Total License Fees Received 2016-2017: \$228,350 --(Table E, Page 10)
6. Commercial Education Fund Balance: \$639,027.09 -- (Table F, Page 10)
7. Student Protection Fund Balance: \$886,948.09 ----- (Table F, Page 10)

INITIALLY LICENSED SCHOOLS**(July 1, 2016 – June 30, 2017)**

Thirteen proprietary schools were initially licensed during the 2016-2017 fiscal year.

TABLE A: Initially Licensed Proprietary Schools, 2016-2017 (13)

MyComputerCareer.com -Charlotte	Triangle School of Dental Assisting
Fast Track Career Prep	Shades of Purple
Heavy Equipment College of NC	Charlotte Dental Assistant School
Mount Eagle College -Greensboro	New Hope Medical Training
*NASCAR Technical Institute	Premier Dental Assisting Academy
NC Dental U -Fayetteville	Veterans Assembled <i>electronics</i>
Apex Health Care Academy	

***Note:**

NASCAR Technical Institute was sold during the 2016-17 licensing year. As a result, the new owner was required to apply for initial licensing.

PROPRIETARY SCHOOL CLOSURES**(July 1, 2016 – June 30, 2017)**

Four proprietary schools failed to renew their license for 2017-2018. All schools were notified in writing that their proprietary school license expired by statute on June 30, 2017. There were three additional closures during the 2016-2017 licensing year (*).

TABLE B: Proprietary School Closures, 2016-2017 (7)

CarWil Learning Academy (Licensed: 2012)	*National Personal Training Institute of North Carolina Closure (2008)
Center for Employment Training (2013)	*Priority Nursing College License Revocation (2004)
Healthcare Institute of Charlotte II (2013)	*Victory Health Career Center License Renewal Refusal (2015)
NCDATS -Durham (2005)	

***National Personal Training Institute of North Carolina Closure**

On January 24, 2017, the administrator of National Personal Training Institute of North Carolina (NPTI) advised the Office of Proprietary Schools (OPS) that the school was closed effective immediately. The administrator further advised that the five (5) enrolled students would need to rely upon the school's bond for reimbursement. Two students paid for the program out-of-pocket, while the other three used GI Bill funds. In February 2017, a claim totaling \$24,273.39 was made against NPTI's guaranty bond on behalf of the five students. After receiving payment

in-full, OPS worked with the students and the Department of Veterans Affairs to distribute reimbursements to applicable parties.

***Priority Nursing College License Revocation**

In June, 2016, the Office of Proprietary Schools (OPS) initiated an investigation into Priority Nursing College (Priority) based on alleged violations of Article 8, Chapter §115D of the North Carolina General Statutes and Title 2 of the State Board of Community Colleges Code.

On August 12, 2016, the State Board of Proprietary Schools voted to recommend that the State Board of Community Colleges initiate license revocation of Priority's proprietary school license.

On September 16, 2016, the Proprietary Board's recommendation and the investigative report documenting Priority's violations were presented to the full Community College Board pursuant to 2B SBCCC 200.4. The Board voted to initiate license revocation.

On October 27, 2016, an informal hearing was conducted pursuant to 2B SBCCC 200.5. On November 18, 2016, the General Counsel presented her recommendation in support of license revocation to the full Community College Board. In a final agency action on that same date, the Community College Board voted to revoke Priority's license.

In January 2017, a formal claim totaling \$23,265.96 was made against Priority's guaranty bond. After receiving payment in-full, OPS worked with former students and the Guilford County Workforce Development Board (NCWorks) to distribute reimbursements to applicable parties.

***Refusal of License Renewal for Victory Health Career Center**

On May 12, 2017, the State Board of Proprietary Schools met to consider renewal applications for license year July 1, 2017 – June 30, 2018. As of that date, Victory Health Career Center's (Victory) application remained incomplete, including an outstanding balance of \$2,350 owed for the license fee. The Board reviewed Victory's entire application submission, including copies of all corrections it submitted, and all correspondence between the Office of Proprietary Schools and the school's director. The Board found that Victory's application for license renewal violated or otherwise failed to meet the requirements mandated in § 115D-90 of the North Carolina General Statutes. Specifically, the application failed to be filed in the manner and upon the forms prescribed and furnished by the Board for that purpose in accordance with § 115D-90(b). The application also failed to establish the school was financially sound and capable of fulfilling its commitments for training as required by § 115D-90(c)(9). After due consideration, the Board unanimously voted to refuse to recommend renewal of Victory's proprietary school license for licensing year July 1, 2017 – June 30, 2018.

Pursuant to 2B SBCCC 100.3, the refusal to recommend license renewal was submitted to the full Community College Board on July 21, 2017. The Board voted against renewal of Victory's license. The refusal of Victory's license renewal is expected to become a final agency action on or about August 10, 2017. To the knowledge of the Office of Proprietary Schools, no

outstanding refunds are owed to students. Victory's owner acknowledged the refusal and stated that she would transfer all student files to the State Archives.

STUDENT COMPLAINTS RECEIVED

(July 1, 2016 – June 30, 2017)

The Office of Proprietary Schools has a written procedure for handling student complaints. The complaint procedure and appropriate forms are posted online at:

<http://www.nccommunitycolleges.edu/proprietary-schools>.

TABLE C: Student Complaints Received, 2016-2017 (2)

Complaints received 2016-2017	Actions Taken
Complaint 1	Allegations did not establish violation
Complaint 2	Allegations did not establish violation

Complaint #1:

In December 2016, the Office of Proprietary Schools resolved a written student complaint alleging a school in Wilson was refusing to provide a refund. The school provided detailed evidence showing the student was administratively removed per written guidelines of the school. DHHS conducted an independent investigation into an identical complaint it received from the student. DHHS was unable to substantiate the allegations in the complaint and no violation was found against the school.

Complaint #2:

In February 2017, the Office of Proprietary Schools resolved a written complaint from a student against a school in Charlotte. The student alleged she was physically assaulted by a male employee, and that she was verbally abused by other school instructors. The school provided detailed evidence, including numerous witnesses who directly contradicted the allegations. The school also provided contact information for a law enforcement officer with the Charlotte Police Department, who investigated the claims and found them to be without merit. After receiving a copy of the school's response, the student refused to cooperate further. No violation was found against the school.

LICENSED PROPRIETARY SCHOOLS**(July 1, 2017 – June 30, 2018)**

On May 19, 2017, the State Board of Community Colleges approved license renewals for 85 proprietary schools. The licenses run from July 1, 2017 – June 30, 2018.

TABLE D: Renewal Licenses, FY 2017-2018 (85)

American Academy of Healthcare	Fast Track Career Prep	NC Dental U -Wake Forest
Animal Behavior Institute	****Gericare Education & Training	New Horizons Computer Learning -Charlotte
Apex Health Care Academy	Guiding Lights Caregiver Training Institute	New Horizons Computer Learning -Greensboro
**Art Institute of Charlotte	Gwinnett College	Piedmont Dental Assistants
**Art Institute of Raleigh-Durham	Harris Training Institute	Piedmont Online Institute
Astinix Institute	Heavy Equipment College of NC	Pit Instruction and Training
**Brightwood College	Highland Canine Training	ProTrain
Care One Health Training Institute - Fayetteville	Ideal Health Institute	Sandhills Dental Career Center
Care One Health Training Institute - Raleigh	King's College	Serenity Nurse Aide Academy
Caring For Life –Castle Hayne	Lake Norman Dental Assisting School	Shades of Purple
Caring For Life -Jacksonville	Life Time Academy	South College of Tennessee
Carolina Career College	Living Arts College -Raleigh	***Southeastern Institute
Carolina School of Broadcasting	****Living Arts Institute – Winston-Salem	Southern College of Health Sciences
Center for Montessori Teacher Education	**Miller-Motte College -Cary	Sunrise School of Dental Assisting -Fayetteville
*****Charlotte School of Law	**Miller-Motte College - Fayetteville	Sunrise School of Dental Assisting -Greensboro
Chosen Healthcare Institute	**Miller-Motte College – Greenville	Sunrise School of Dental Assisting -Raleigh
Coder Foundry -Charlotte	**Miller-Motte College - Jacksonville	The Iron Yard -Charlotte
Coder Foundry -Kernersville	**Miller-Motte College - Raleigh	The Iron Yard -Durham
College of Wilmington	**Miller-Motte College - Wilmington	The Iron Yard -Raleigh
Connecticut School of Broadcasting	More Than Conquerors College	The New York Code and Design Academy

DA Academy of NC	Mount Eagle College - Greensboro	Triangle School of Dental Assisting
Dental Assistant Academy of Charlotte	Mount Eagle College -Winston-Salem	Umanah Healthcare Institute -Charlotte
Dental Assistant Training Centers	MyComputerCareer.com - Charlotte	Umanah Healthcare Institute -Gastonia
Dental Staff Institute	MyComputerCareer.com - Raleigh	Umanah Healthcare Institute -Monroe
*Discovery Diving Co.	**NASCAR Technical Institute	Unity Nursing Institute
Divine Health Academy	National Personal Training Institute of Charlotte	**Virginia College
ECPI University -Charlotte	NCDATS -Charlotte	Wisdom Health Academy
ECPI University -Greensboro	NC Dental U -Fayetteville	
ECPI University -Raleigh	NC Dental U –Greenville	

***Recommendation is contingent upon submission of quarterly financial reports (July 1, 2017 – June 30, 2018).**

****Recommendation is contingent upon submission of quarterly financial reports (July 1, 2017 – June 30, 2018), as well as immediate notification of any change in heightened cash monitoring (HCM) with the U.S. Department of Education or accreditation status.**

*****Recommendation is contingent upon immediate notice of any change in heightened cash monitoring (HCM) with the U.S. Department of Education.**

******Recommendation is contingent upon submission of a fully-executed lease agreement through June 30, 2018.**

*******Recommendation specifically limited to completing any necessary teach-out of currently enrolled students. Any new enrollment or collection of tuition and fees is contingent upon verifiable documentation of:**

- 1) Restoration of Title IV funding by the U.S. Department of Education; and**
- 2) A valid and active state authorization from the UNC Board of Governors.**

TABLE D: Initial Licenses, FY 2017-2018 (4)

On May 19, 2017, the State Board of Community Colleges approved initial licensing for four (4) proprietary schools. The licenses run from May 19, 2017 – June 30, 2018.

SCHOOL	LOCATION
Charlotte Dental Assistant School	Charlotte, NC
New Hope Medical Training	Greensboro, NC
Premier Dental Assisting Academy	Charlotte, NC
Veterans Assembled <i>electronics</i>	Fort Bragg, NC

TOTAL FEES RECEIVED**TABLE E: Total Fees Received, FY 2016-2017****(License Fee Receipts)**

Fiscal Year	Receipts Collected	Year-End Balance
2016-2017	\$228,350.00	\$639,027.09
2015-2016	\$235,900.00	\$591,378.03
2014-2015	\$199,500.00	\$528,401.37

(Student Protection Fund Receipts)

Fiscal Year	Receipts Collected	Year-End Balance
2016-2017	\$100,016.73	\$886,948.09
2015-2016	\$99,025.27	\$779,953.48
2014-2015	\$101,284.59	\$676,012.01

FUND BALANCES**(As of June 30, 2017)****TABLE F: Current Fund Balances**

COMMERCIAL EDUCATION FUND	STUDENT PROTECTION FUND
\$639,027.09	\$886,948.09