

**PROPRIETARY SCHOOLS OF NORTH CAROLINA**

**ANNUAL REPORT: 2015**

*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 2014-2015 - 12 Total..... (Table A, Page 5)
2. Proprietary School Closures 2014-2015 – 12 Total..... (Table B, Page 5)
3. Student Complaints and Resulting Actions – 4 Total.....(Table C, Page 7)
4. Licensed Proprietary Schools 2015-2016 – 78 Total.....(Table D, Page 8)
5. Total License Fees Received 2014-2015 -\$199,500.00.....(Table E, Page 9)
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7. Student Protection Fund Balance -\$676,012.01.....(Table F, Page 10)

## **INITIALLY LICENSED SCHOOLS**

**(2014-2015)**

Twelve (12) proprietary schools were initially licensed during the 2014-2015 fiscal year. Six (6) schools applied and five (5) were approved for license renewal for fiscal year July 1, 2015 – June 30, 2016.

**TABLE A: Initially Licensed Proprietary Schools, 2014-2015**

East Carolina Nurse Aide Training	Guiding Lights Caregiver Training Institute
*Caring For Life -Wilmington	Right Choice Dental Assisting School
*CNA-Health Courses	Astro Code School
Graceful Touch Health Institute	**Charlotte School of Law
The Iron Yard	**Hands on Dental Assistant Academy
Astinix Institute	**Southern College of Health Sciences

\*The State Board of Proprietary Schools refused to recommend license renewal for Caring For Life –Wilmington and CNA-Health Courses. After investigation and reconsideration, the Board recommended license renewal for Caring For Life-Wilmington.

\*\*Charlotte School of Law, Hands on Dental Assistant Academy and Southern College of Health Sciences were initially licensed after April 1, 2015, and therefore they were not required to submit license renewal applications for fiscal year July 1, 2015 – June 30, 2016.

## **PROPRIETARY SCHOOL CLOSURES**

**(2014-2015)**

12 (twelve) proprietary schools closed and/or failed to renew their license for 2015-2016. Unless otherwise indicated (\*), the licenses of these schools expired by statute on June 30, 2015.

**TABLE B: Proprietary School Closures, 2014-2015**

American Academy of Magnetic Resonance [Licensed 2005]	NCDATS-Burlington [Licensed 2008]
American Institute of Applied Sciences [Licensed 1991]	Research Triangle College of Health Sciences [Licensed 2013]

American Red Cross Nurses Assistant Training Institute [Licensed 2013]	Right Choice Dental Assisting [Licensed 2015]
East Carolina Nurse Aide Training [Licensed 2014]	Thomas Health Care School [Licensed 2010]
Graceful Touch Health Institute [Licensed 2014]	*Brookstone College of Business –Charlotte [Licensed 1987]
Myers Park School of Dental Assisting [Licensed 2008]	*Brookstone College of Business – Greensboro [Licensed 1984]

**\*Brookstone College of Business Closings**

Brookstone College of Business had a history dating back 70 years. The Greensboro campus had been licensed approximately 31 years. The Charlotte campus had been licensed approximately 28 years. Both schools filed timely license renewal applications for fiscal year July 1, 2015 – June 30, 2016, and paid all applicable fees. The schools were accredited by the Accrediting Counsel for Independent Colleges and Schools (ACICS) and their Medical Assisting programs were CAAHEP accredited.

On or about Wednesday, May 13, 2015, Brookstone College of Business (Charlotte and Greensboro) publicly announced it was closing (<http://www.brookstone.edu/>). The closings occurred without prior notice to students or the State Board of Community Colleges as required by the schools’ teach-out plans.

According to the owner, 205 students were enrolled at the schools at the time of closing. On or about May 21, 2015, the owner indicated that 60 students would complete their respective programs through final teach-outs, leaving the number of students impacted at 145. On June 12, 2015, the owner indicated that an additional 47 students had transferred to teach-out partner schools, leaving the number of outstanding students at 98.

On June 19, 2015, the State Board of Community Colleges voted to renew the proprietary school licenses of the schools to allow as many students as possible to complete their respective programs. The licenses were specifically limited to completing a teach-out for currently enrolled students; no further enrollment or collection of tuition or fees was authorized.

Since the closures, the Office of Proprietary Schools has received several requests from students seeking assistance with obtaining transcripts or diplomas from the Brookstone schools. The Office has forwarded all such requests to the school owner, and he has been cooperative in this process. The owner has also set up an email address for students to request academic transcripts. It is the understanding of the Office that the owner will be processing all certificates and diplomas upon completion of the final teach-out of students. The owner is in the process of transferring all academic records to the State Archives.

As of this report, the Office of Proprietary Schools has not received complaints specific to the school’s closure. It is aware, however, that a private lawsuit has been filed against the school and owner. The Office will continue to provide updates to the Community College Board regarding the closures.

# **STUDENT COMPLAINTS RECEIVED**

## **(2014-2015)**

The Office of Proprietary Schools has a written procedure for handling student complaints. The complaint procedure and appropriate forms are posted on the Proprietary School's website: <http://www.nccommunitycolleges.edu/proprietary-schools>.

**TABLE C: Student Complaints Received, 2014-2015**

<b>Complaints received 2014-2015</b>	<b>Resolution</b>
Complaint 1	Student abandoned complaint
Complaint 2	Student and school resolved complaint
Complaint 3	Student and school resolved complaint
Complaint 4	Student abandoned complaint

### **\*Complaint #1:**

On October 8, 2014, the Office of Proprietary Schools received a written student complaint involving a proprietary school located in Raleigh. The complaint alleged that the student did not receive proper training and the school failed to properly arrange clinical placement for the student. The complaint was forwarded to the school for a written response on the same date.

The Office of Proprietary Schools received a written response from the school addressing the student's complaint. The Office of Proprietary Schools forwarded the school's response to the student and made an appointment with her to discuss the response. Prior to this discussion, the student noticed the Office that she did not wish to pursue the complaint further.

### **Complaint #2 and #3:**

On November 18, 2014, the Office of Proprietary Schools received two written student complaints involving a proprietary school located in Charlotte. The complaints made similar allegations: the school failed to provide proper training to prepare the students to pass the Nurse Aide I state exam. The complaints were forwarded to the school for a written response on November 19, 2014.

The Office of Proprietary Schools received a written response from the school addressing the complaints. The school then entered into a private agreement with the students to resolve the

complaints. The Office of Proprietary Schools confirmed the resolution with each party and verified that the students were satisfied with the resolution of their complaints.

**Complaint #4:**

On February 27, 2015, the Office of Proprietary Schools received a written student complaint involving a proprietary school located in Winston-Salem. The complaint alleged that the student did not receive proper training and the school failed to properly arrange clinical placement for the student.

Prior to the complaint being forwarded to the school, the student advised the Office of Proprietary Schools that she did not want the complaint forwarded to the school and no longer wished to pursue the complaint.

**LICENSED PROPRIETARY SCHOOLS**

**(2015-2016)**

On May 15, 2015, the State Board of Community Colleges approved license renewals for 76 proprietary schools.

**TABLE D: Renewal Licenses, 2015-2016 (76)**

American Academy of Healthcare	Gericare Education and Training	NCDATS -Durham
Animal Behavior Institute	Guiding Lights Caregiver Training Institute	NC Dental U -Greenville
Art Institute of Charlotte	Harris Training Institute	NC Dental U –Wake Forest
Art Institute of Raleigh-Durham	Healthcare Institute of Charlotte II	New Horizons -Greensboro
Astinix Institute	Highland Canine Training	New Horizons -Charlotte
Astro Code School	Ideal Health Institute	New Horizons –Raleigh, Durham & Chapel Hill
*Brookstone College of Business -Charlotte	Inovatech College of Business & Technology	Piedmont Dental Assistants
*Brookstone College of Business - Greensboro	Kaplan College	Piedmont Online Institute
Care One Health Training Institute -Raleigh	King’s College	PIT Instruction and Training
Care One Health Training Institute - Fayetteville	Lake Norman Dental Assisting School	Priority Nursing College
Carolina School of Broadcasting	Life Time Academy	ProTrain
CarWil Learning Academy	Living Arts College -Raleigh	Provision Learning Center
Center for Employment Training	Living Arts Institute –Winston Salem	Roush Yates School of Technology
Center for Montessori Teacher Education	Miller-Motte College -Cary	Sandhills Dental Career Center
Chosen Healthcare Institute	Miller-Motte College -Fayetteville	Serenity Nurse Aide Academy



College of Wilmington	Miller-Motte College - Greenville	South College -Asheville
Connecticut School of Broadcasting	Miller-Motte College -Jacksonville	Southeastern Institute
Dental Assistant Academy of Charlotte	Miller-Motte College -Raleigh	Sunrise School of Dental Assisting -Fayetteville
Dental Assistant Training Center	Miller-Motte College -Wilmington	Sunrise School of Dental Assisting -Greensboro
Dental Staff Institute	More Than Conquerors College	Sunrise School of Dental Assisting -Raleigh
Discovery Diving Co.	Mount Eagle College	The Medical Arts School
Divine Health Academy	MyComputerCareer.com	The Iron Yard Academy
ECPI University -Charlotte	NASCAR Technical Institute	Triangle Nurse Aide Program
ECPI University -Greensboro	National Personal Training Institute of Charlotte	Umanah Healthcare Institute - Charlotte
ECPI University -Raleigh	National Personal Training Institute of North Carolina	Umanah Healthcare Institute - Gastonia
Eliada School of Trade Arts	NCDATS -Charlotte	Virginia College

\*On May 15, 2015, the State Board of Community Colleges remanded Brookstone College of Business –Charlotte and Brookstone College of Business -Greensboro back to the State Board of Proprietary Schools for further consideration. On June 5, 2015, the State Board of Proprietary Schools recommended license renewal of both Brookstone campuses. The recommendation for each school was that the license be exclusively limited to completing any necessary teach-outs for currently enrolled students, including applicable externships. No further enrollment or collection of tuition and fees was to be authorized. On or about June 19, 2015, the State Board of Community Colleges voted to approve the recommendation and the proprietary school licenses of Brookstone College of Business –Charlotte and Brookstone College of Business – Greensboro were renewed accordingly to allow as many students as possible to complete their respective programs.

**TOTAL FEES RECEIVED**

**(2014-2015)**

**TABLE E: Total Fees Received, 2014-2015**

**(Licensing Fee Receipts)**

<b>Fiscal Year</b>	<b>Receipts Collected</b>	<b>Current Balance</b>
2014-2015	\$199,500.00	\$528,401.37
2013-2014	\$171,800.00	\$494,215.83
2012-2013	\$161,050.00	\$490,831.10

**(Student Protection Fund Receipts)**

<b>Fiscal Year</b>	<b>Receipts Collected</b>	<b>Current Balance</b>
2014-2015	\$104,331.94	\$676,012.01
2013-2014	\$102,001.78	\$571,680.07
2012-2013	\$99,271.08	\$469,678.29

**FUND BALANCES**

**(As of June 30, 2015)**

**TABLE F: Current Fund Balances**

<b>COMMERCIAL EDUCATION FUND</b>	<b>STUDENT PROTECTION FUND</b>
\$528,401.37	\$676,012.01