MINUTES COLORADO BOARD OF PRIVATE OCCUPATIONAL SCHOOLS August 22, 2023 at 9:30 a.m.

Join Zoom Meeting

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Meeting ID: 813 6434 7705

<u>Board Members Present</u>: JoAnn Stevens, Chair; Barbara Kearns, Vice Chair; Jessica Wagner; Chris Smith; and Scott Cardona (joined at 9:43 a.m.)

Board Members Absent: Ellen Wamser, Secretary; and Chad Nash

Division Staff Present:

Chief Occupational Education Officer/Director Lorna Candler; Deputy Director & Compliance Officer Mary Kanaly; Compliance Investigator Lisa Combs; Program Specialist Rachel Acosta; Program Specialist Martha Torres-Recinos; Program Specialist Austin Bentz; Program Specialist Kerrie Solis; and Program Specialist Assistant Bernadette Esquibel

<u>Division Staff Absent</u>: Division Specialist Kristi Connors

<u>Board Counsel Present:</u> Natalie Powell, Senior Assistant Attorney General, Office of the Colorado Attorney General

Guests Present:

Mostafa Khattab, Western States College of Construction; Heather Sherwood, Western States College of Construction; Eric Ortega, Western States College of Construction; Luz Perez, Rocky Mountain Bella Spa & Academy; Margaret Rosenau, School of Inner Health; Leslie Papa, School of Inner Health; Dr. Reo Leslie, Colorado School for Family Therapy; Dr. Evelyn Leslie, Colorado School for Family Therapy; Alma Lozano, Colorado School for Family Therapy; Tave Accardo, Tave's Nail Academy; Chris Ford, Tave's Nail Academy; Henrietta Harvey, Assist to Succeed; Beto Herrera, Western States College of Construction; Joe Peneton, Western States College of Construction; Johnnie Norris, Western States College of Construction; Jordyn Grote, Western States College of Construction; Daniel Meyer, Western States College of Construction; Sean Wyatt, Western States College of Construction; Melissa Cannata, The CE Shop; Michael Mulholland, Accent Beauty Academy; and Carrie Peterson, International Salon & Spa Academy

Call to Order:

The regularly scheduled meeting of the Private Occupational Schools Board was called to order by JoAnn Stevens, Chair, at 9:33 a.m. The Board members, Division staff, and guests were introduced. Board roll call was taken. A quorum was present.

Consideration of Approval of the May 23, June 27 and July 25, 2023 Minutes:

Following review and consideration of the May 23, 2023 regular session minutes, Vice Chair Kearns motioned to approve the minutes as written. The motion was seconded and carried.

Following review and consideration of the June 27, 2023 regular and executive session minutes, Vice Chair Kearns motioned to approve the minutes as written. The motion was seconded and carried.

Following review and consideration of the July 25, 2023 regular and executive session minutes, Vice Chair Kearns motioned to approve the minutes as written. The motion was seconded and carried.

Additions / Changes to the Agenda:

COEO/Director Candler reported no additions or changes to the agenda.

Director / Staff Report

- Director Candler advised the Board of the recent new hires at the Department; Crystal Collins, Chief Financial Officer, Tricia Johnson, Executive Deputy Director and Sophia Laderman, Chief Policy and Research Officer. The Department is still looking to hire a new Chief Educational Equity Officer.
- Director Candler and Deputy Director Kanaly attended a meeting regarding Senate Bill 22-226. The bill passed last year and is designed to support the health-care workforce to meet the demands of healthcare by Coloradans through allocation of funding from the economic recovery and relief cash fund. Private occupational schools are qualified to receive these funds however, priority is given to public and community colleges. The Division is looking into creating equitable opportunities for our private schools and students to access these funds.
- Director Candler welcomed the Division's new Compliance Investigator, Lisa Combs and advised she has been working on some challenging exemption requests including employer/employee training for providers on the Eligible Training Provider List (ETPL), issues with mortgage loan originator (MLO) pre-licensing with the Division of Real Estate and Medical Board Rule 800 advanced courses.
- Director Candler noted that a few notices of noncompliance and late fees may need to be assessed for quarterly assessments and annual filings. This data collection is critical and helps track student numbers and compliance issues. Additionally, it assists the Division when responding to the Department, other agencies and the legislative body.
- Director Candler mentioned the Division's sunset review is going very well and hopes to have a

draft report soon.

- Director Candler provided an update on Division Specialist, Kristi Connors. She is cheerful, optimistic and eager to get back to work.
- Deputy Director Kanaly informed the Board that we are in rulemaking season. The Division will be reaching out to the Secretary of State's office to get a timeline for the upcoming process. Staff has been noting potential changes including clarifying recent transcript hold legislation from the consumer protection division of the attorney general's office for purposes of releasing transcripts if a student is transferring to another institution of higher education or needs their transcript for employment reasons even when a student owes the school money. The Division is figuring out the best way to deal with the statute change.

New Business/Action Items:

A. <u>Consideration of Approval of Provisional Certificate</u>

1. <u>Western States College of Construction – Denver - KS</u>

Program Specialist Soils presented to the Board for review and consideration of a Provisional School Application to Operate including one program: Professionalism in Construction. A school representative was present. A site visit was completed. The Board determined that the school has adequate surety coverage and can maintain compliance with the minimum standards as prescribed by the Private Occupational Education Act of 1981, as amended.

Following review and consideration, Vice Chair Kearns motioned to approve the Provisional Certificate and previously mentioned educational offerings effective August 22, 2023 and ending June 30, 2025. The motion was seconded and carried.

2. Rocky Mountain Bella Spa and Academy – Glenwood Springs - KS

Program Specialist Soils presented to the Board for review and consideration of a Provisional School Application to Operate including two programs: Esthetician and Massage Therapy. A school representative was present. A site visit was completed. The Board determined that the school has adequate surety coverage and can maintain compliance with the minimum standards as prescribed by the Private Occupational Education Act of 1981, as amended.

Following review and consideration, Board member Wagner motioned to approve the Provisional Certificate and previously mentioned educational offerings effective August 22, 2023 and ending June 30, 2025. The motion was seconded and carried.

B. Consideration of New Program(s)/Stand-Alone Course(s) or Major Revisions

1. <u>School of Inner Health – Denver - KS</u>

Program Specialist Solis presented to the Board for review and consideration of one new program and two new courses: Being with Babies in the Cranial Field, Online One Day Introduction to Biodynamic Craniosacral Therapy and Exploring Our Early Journey: Birth and Developmental Somatic Process Workshop. A school representative was present. The Board determined that the school has adequate surety coverage and can maintain compliance with the minimum standards as prescribed by the Private Occupational Education Act of 1981, as amended.

Following review and consideration, Vice Chair Kearns motioned to approve the new program and courses previously mentioned effective August 22, 2023. The motion was seconded and carried.

2. Colorado School for Family Therapy – Aurora -- AB

Program Specialist Bentz presented to the Board for review and consideration of eight revised programs: Certificate in Advanced Sandplay Therapy, Certificate in Behavioral Health & Criminal Justice, Certificate in Art Therapy, Certificate in Marriage and Family Therapy, Certificate in Sandplay Therapy, Certificate in Play Therapy, Certificate in Clinical Supervision and Certificate in Jungian Psychotherapy. A school representative was present. The Board determined that the school has adequate surety coverage and can maintain compliance with the minimum standards as prescribed by the Private Occupational Education Act of 1981, as amended.

Following review and consideration, Vice Chair Kearns motioned to approve the new programs previously mentioned effective August 22, 2023. The motion was seconded and carried.

Other Business:

A. Conditional Board Approval Update

Deputy Director Kanaly provided the following update to the Board regarding renewals that were approved conditionally since April 25, 2023. 13 remain on quarterly financial reporting until profitability and stability have been met.

Assist to Succeed – Pueblo has provided the required financial projections but they must be reviewed by Board Secretary Wamser. Following review and consideration, Board member Wagner motioned to extend the conditional approval until the September 26, 2023 Board meeting. The motion was seconded and carried.

Vice Chair Kearns recused herself.

IBMC College - Longmont submitted the requested financials and have met the requirements of the conditional approval. A review of the financials did raise some serious concerns. A change of ownership is in motion with the school's accrediting body. An official notification has not been distributed to students even though students are aware since this has been in transition for some time and the school has been very transparent. The Division has recommended the school send an official notice to students as soon as possible with their available options. The school stated it will be a positive change.

Vice Chair Kearns rejoined the meeting.

The Board's Counsel, Senior Assistant Attorney General Natalie Powell, updated the Board on the following items:

1. <u>Commercial Vehicle Training Center (no action required)</u>

At its September 2022 meeting, the Division presented the Board with evidence that the Commercial Vehicle Training Center (CVTC), an approved school, had moved locations to Fort Lupton Colorado without notifying the Board, and had closed without warning to students. The Board voted to issue CVTC a notice of noncompliance and subpoena for records. On October 14, 2022, the Division issued the Notice of Noncompliance and Subpoena. Mr. Euglow, the owner, did not respond to the Notice of Noncompliance or the subpoena.

At its December 2022 Board meeting, the Board voted to instruct counsel to send a letter to Mr. Euglow to see if will voluntarily provide records and complete the closure process. The letter was sent on January 20, 2023, and included a voluntary surrender affidavit. Mr. Euglow returned the affidavit of voluntary surrender on February 23, 2023 and provided some information on student contact information, but did not provide all of the records requested.

At its April 2023 meeting the Board voted to issue a 30-day warning letter and subpoena to CVTC which was sent on May 17, 2023. As of June 22, 2023, Mr. Euglow provided some records to the Division but the records did not include student transcripts/certificates of completion. Mr. Euglow subsequently represented he uploaded additional records. Division staff is still reviewing the additional records.

2. Real Estate Training Center (no action required)

The Real Estate Training Center submitted a change of ownership application in April 2022. The Division reviewed the application and discovered a few issues which were concerning including missing financial information for the parent company, a sales agent located in Colorado, and, of most concern, the required disclosure questions contained omissions and/or misinformation regarding criminal history. The Division made the determination to deny the application and not move it forward to the Board for review. The school is now considered closed and it must provide the required student and financial records under statute and board rule.

At the Board's February 2023 meeting, a school representative Joseph Hackett, attended and represented he was working on collecting the records. The Board voted to issue a 30-day warning letter and subpoena for the records. Counsel and the Division sent the 30-day warning letter and subpoena for the records to Mr. Hackett on March 23, 2023, giving a deadline of April 21, 2023, to provide the records. The school owner has been in contact with the Division regarding providing the records and the Division is in the process of reviewing the records.

3. National Beauty College (no action required)

At its February 2023 meeting, the Division presented the Board with information that it received a complaint that National Beauty College was offering unauthorized internships. After completing an unannounced visit to the school to further investigate, the Division found evidence that National Beauty College was failing to meet numerous other statutory minimum standards. In particular, evidence suggested the school did not appear to be maintaining adequate student records and was completing attendance and transcripts before students actually attended courses or completed their coursework.

The Board voted to issue a notice of noncompliance to the School. Counsel and the Division sent the Notice of Noncompliance on March 8, 2023, and the School responded on March 23, 2023. The information the School provided by the March 23, 2023 deadline is provided along with this legal update. The school attempted to provide additional information on Friday March 24, 2023, but was informed it will not be considered as it was provided after the deadline. At its March 28, 2023 meeting, the Board voted to pursue a notice of charges to revoke the School's certificate of approval due to its belief the School was operating in violation of the Board's act. Then, upon receipt of inspection information from another state agency, the Board voted at an interim meeting on April 10, 2023, to summarily suspend the School's certificate to operate.

Board counsel filed the Notice of Charges with the Office of Administrative Courts on April 28, 2023. The School did not respond to the Notice of Charges and did not attend the conference to set a hearing date. A hearing date has been set for April 29-30, 2024. Board Counsel filed a motion

for default. After serving the motion, the School responded by email that it is permanently closed. Counsel will reach out to the School to see if it will execute a voluntary affidavit of surrender.

4. Springs Truck Driving School (no action required)

At its June 2023 Board meeting, the Board considered the School's application for renewal and determined that the School did not timely submit financial information as required by Board rules. Further, upon a site inspection it was revealed that the School was not maintaining proper transcripts for students. The Board voted to issue the School a notice of noncompliance and nonrenewal. The notice was issued on July 7, 2023 with the response due July 21, 2023. The School did not respond and at its July 25, 2023 meeting, the Board voted to uphold the denial of the renewal application. The school has 60 days from July 25, 2023 to request a hearing.

5. <u>Tave's Nail Academy (potential action required)</u>

At its June 2023 Board meeting, the Board considered the School's application for renewal and determined that the application was missing necessary information, such as compiled financials from an independent public or certified public accountant, a corrected/updated surety calculation form and rider documentation, corrected catalogue, and corrected enrollment agreement. Additionally, site visits uncovered that items were not in compliance with minimum standards. The school was missing attendance records, student grades, transcripts, and other items. The Board voted to issue the School a notice of noncompliance and nonrenewal. The notice was issued on July 10, 2023 with the response due July 24, 2023. The School's response was incomplete.

At its July 25, 2023 meeting, the Board voted to uphold the denial of the renewal application. The school has 60 days from July 25, 2023 to request a hearing. Board Counsel has discussed a potential stipulated agreement with the School, which was provided for the Board's review.

6. <u>Colorado Advanced Esthetics (no action required)</u>

At its June 2023 Board meeting, the Board considered Colorado Advanced Esthetics' (CAE) application for renewal and determined that the application was missing necessary information, such as the renewal application was incomplete, the surety calculation form and rider needed corrections, the catalog was not compliant, the student complaint language was not updated in the School's catalogue and enrollment agreement, and the instructor applications were not properly completed. Further, it was determined the School was still offering a 725 hour unapproved course as the course purports to allow students to complete advanced training before receiving their license. The Board voted to issue the School a notice of noncompliance and nonrenewal. The notice was issued on July 10, 2023 with the response due July 24, 2023. The School's response was received without corrections to the application.

At its July 25, 2023 meeting, the Board voted to uphold the denial of the renewal application. The school has 60 days from July 25, 2023 to request a hearing. CAE did timely request a hearing. Board Counsel will reach out to the School to discuss next steps..

Tave's Nail Academy

Following discussion regarding the stipulated agreement with the School, which was signed by the school. Board member Wagner motioned to delegate authority to Director Candler to sign the stipulated agreement on behalf of the Board. The motion was seconded and carried. The Division noted that a new Provisional application must be submitted online through DPOS Connect once the stipulated agreement is signed by the Board.

Adjournment:

Board member Wagner motioned to adjourn the meeting at 10:58 a.m. The motion was seconded and carried.

The next regularly scheduled meeting of the Board is Tuesday, September 26, 2023 at 9:30 a.m. and will be held via the web conference application, Zoom; meeting details will be posted on the Division's website: <u>highered.colorado.gov/dpos.</u>