MINUTES COLORADO BOARD OF PRIVATE OCCUPATIONAL SCHOOLS OCTOBER 24, 2023 at 9:30 a.m.

Join Zoom Meeting

https://highered-colorado-gov.zoom.us/j/82636260692?pwd=VGJDVjd0YzIvMktDcGZpYktMSy9vQT09 Meeting ID: 826 3626 0692

Board Members Present:

JoAnn Stevens, Chair Barbara Kearns, Vice Chair; Scott Cardona; Chad J. Nash Chris Smith; and Jessica Wagner

Board Members Absent:

Ellen Wamser, Secretary

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 Program Specialist Kerrie Solis Program Specialist Kristi Connors

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

Guests Present:

Dr. Reo Leslie, Colorado School for Family Therapy; Dr. Evelyn Leslie, Colorado School for Family Therapy; Suzi Dennis, Northern Colorado Advanced Aesthetics Academy; Tanya Smith, Skin Addict School of Aesthetics; Joe Knutte, Elevate Salon Institute; April Weber-Muneio, First Impressions Academy and Cosmetology Arts; Trisha Artman, Well Animal Institute; Tina Cavalier, The Giving Touch; and Melissa Cannata, The CE Shop

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 September 26, 2023 Minutes:

Following review and consideration of the September 26, 2023 regular and executive session minutes, Board member Wagner 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

- COEO/Director Candler reported CDHE Senior staff and Division staff toured Pima Medical Institute in Denver to observe the array and high quality of educational programs available to students at private occupational schools. Pictures of Executive Director Dr. Angie Paccione and members of Senior staff touring the school and interacting with students were made available on social media. The Division is working with the Department on collecting graduate data from private occupational schools so that all of the good work is included in the Higher Education landscape.
- COEO/Director Candler reported Deputy Director Kanaly, Compliance Investigator Combs, and herself attended a meeting with senior advisors from other state agencies to discuss Senate Bill 23-290 around educational requirements for the training programs and the emerging occupations in Natural Medicine.
- COEO/Director Candler reported Sunset review is complete as required by our Statute. Saul Larsen, Department of Regulatory Agencies, provided a final report to the legislature for review and consideration.
- COEO/Director Candler reported the Division is currently reviewing the Rules in preparation for 2024 Rulemaking. A redlined version of Rules will be available to Board members to review for the Annual Retreat. A stakeholders meeting will be held in January to comment and participate.
- COEO/Director Candler reported there are several schools who have not submitted their Quarterly Assessment reports by the due date. The Division has delegated authority by the Board to assess late fees to bring these schools in compliance.

New Business/Action Items:

A. Consideration of Approval of Provisional Certificate

1. Northern Colorado Advanced Aesthetics – Pueblo – RA

Program Specialist Acosta presented to the Board for review and consideration of a Provisional School Application to Operate including four stand-alone courses: Art of the Lash, Chemical Peel, Manual Resurfacing, and Microneedling and one program: Esthetics. 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 October 24, 2023 and ending June 30, 2025. The motion was seconded and carried.

B. Consideration of Approval of Change of Ownership

1. Elevate Salon Institute – Westminster – RA

Program Specialist Acosta presented to the Board for review and consideration of approval of change of ownership application. A school representative was present.

Following review and consideration, Board member Wagner motioned to approve the Change of Ownership effective October 24, 2023 and ending June 30, 2025. The motion was seconded and carried.

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

1. Colorado School for Family Therapy – Aurora – AB

Program Specialist Bentz presented to the Board for review and consideration of one new stand-alone course: Addiction Counselor Exam Preparation. 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 stand-alone course previously mentioned effective October 24, 2023. The motion was seconded and carried.

2. Skin Addict School of Aesthetics - Grand Junction - AB

Program Specialist Bentz presented to the Board for review and consideration of three new stand-alone courses: Chemical Resurfacing, Manual Exfoliation, and Manual Resurfacing. 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 stand-alone courses previously mentioned effective October 24, 2023. The motion was seconded and carried.

3. United States Truck Driving School – Fountain – AB

Program Specialist Bentz presented to the Board for review and consideration of two new stand-alone courses: ELDT Theory and Commercial Learners Permit (CLP) Program and ELDT HazMat Endorsement Course and one new program: ELDT Class B Program. 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, Board member Smith motioned to approve the new stand-alone courses and new program previously mentioned effective October 24, 2023. The motion was seconded and carried.

D. School Closure Report (No Action Required)

1. Synergy CDL Solutions

Effective October 10, 2023, all available student and educational records were submitted electronically to the Division.

Other Business:

A. Conditional Board Approval Update

Deputy Director Kanaly updated the Board on 16 schools whose 2023 renewal applications were conditionally approved by the Board. The Division is monitoring the schools to ensure all reporting requirements are met. Secretary Wamser reviewed the financial reports for Colorado School for Family Therapy and reported conditions were met. The remaining schools will continue to be monitored until the conditions are met.

B. <u>Change of Ownership Applications</u>

COEO/Director Candler reported to the Board the current requirements for Change of Ownership applications including a deadline for the buyer to submit an application to the Division either prior to or within 30 days of the sale. There are currently three schools who appear to be unaware of the requirements for submitting a Change of Ownership application for review and approval. Board Counsel Powell confirmed the Statute provides that if the application is not submitted by the deadline, the school's certificate of approval to operate will be suspended until the application is reviewed by the Division and approved by the Board.

1. First Impressions

This school does not have any students currently enrolled. The Division will review the apprenticeships to ensure those students are able to complete their training, which will lead to licensure and the application once it is submitted for review. The school will not enroll students until the Board has approved the application for Change of Ownership.

Board member Cardona recused himself at this time.

2. <u>The Giving Touch</u>

This school currently has five students enrolled and attending classes. The school provided an updated Bill of Sale signed on October 15, 2023. The current owner will oversee the completion of this portion of the education for current students. The buyer will complete the Change of Ownership application and submit it to the Division for review.

Board member Cardona rejoined at this time.

Well Animal Institute LLC dba K-9 Smiles
 Program Specialist Bentz reported that the school updated the Division of their intention to not
 move forward with the Change of Ownership and will instead close the school.

C. <u>Legal Update</u>

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) had closed without warning to students. The Board voted to issue a notice of noncompliance and subpoena for records. On October 14, 2022, the Division issued the Notice of Noncompliance and Subpoena. The Subpoena requested documents be produced by October 21, 2022. Mr. Euglow, school 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 request voluntary surrender of records and complete the closure process. Mr. Euglow signed the affidavit on February 24, 2023, and provided limited details on student contact information. The deadline to provide all of the required records was April 24, 2023. At its April 2023 meeting, the Board voted to send CVTC a 30-day warning letter and subpoena. Counsel and the Division sent a 30-day warning letter and subpoena to Mr. Euglow on May 17, 2023, making his response deadline June 16, 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 then represented that he has subsequently uploaded additional records. The Division is still reviewing additional records provided.

2. <u>Real Estate Training Center (no action required)</u>

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. Because the school is now closed, 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. Mr. Hackett has been in touch with the Division concerning 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.

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.

Counsel filed a 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 has been set for April 29-30, 2024. Counsel's office filed a motion for default. After serving the motion, the School responded by email that it is permanently closed.

Although a default judgment will likely be entered, Counsel has prepared a potential stipulated agreement to propose to the School to settle the case. At its September 2023 meeting, the Board approved the proposed stipulated agreement and affidavit. Board Counsel has emailed and mailed it to Mr. Do (in Florida). He has indicated a willingness to sign it, but we are waiting for him to return a signed copy.

4. Colorado Advanced Esthetics (no action required)

At its June 2023 Board meeting, the Board considered Colorado Advanced Esthetics' (CAE) application for renewal and determined 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, making the deadline to respond to July 24, 2023. At its July 25, 2023 meeting, the Board considered CAE's response to the notice of noncompliance and voted to uphold the denial of the renewal application. CAE timely requested a hearing.

Board Counsel and Deputy Director Kanaly met with the School to discuss a potential stipulated agreement. At its September 2023 meeting, the Board approved the proposed stipulated agreement, and it delegated authority to Director Candler to determine an appropriate fee or fine amount, in consultation with Counsel. A fee of \$2,500 was assessed. The School has signed the stipulated agreement.

Adjournment:

Vice Chair Kearns motioned to adjourn the meeting at 11:05 a.m. The motion was seconded and carried.

The next regularly scheduled meeting of the Board is Tuesday, December 5, 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>