



Regular Meeting Minutes

September 26, 2017 – 10:00 A.M.-1:45 P.M.
Rio Salado College – Room 515 (5th Floor)

Members

Joel Hauff, University of Arizona, Chair- Arizona Board of Regents (ABOR)	X
Janelle Elias, Rio Salado College- Arizona Community College Coordinating Council (AC4)	X
Patricia Feldman, Arizona State University- Arizona Board of Regents (ABOR)	Ⓛ
Pending Appointment- Northern Arizona University- Arizona Board of Regents (ABOR)	-
Michael Amick, Pima Community College- Arizona Community College Coordinating Council (AC4)	X
Teri Stanfill, Arizona State Board for Private Postsecondary Education (AZPPSE)	X
Stacey Hilton, Dean of Instructional Support, Yavapai College (AC4)	X
Jennifer Lech, AZPPSE & Senior Vice President of Academic Affairs, Grand Canyon University	X
Paul Mittman, AZPPSE & President & CEO, Southwest College of Naturopathic Medicine & Health Sciences	-

Others Present

Lanna Dueck, AZ SARA Council Executive Director	X
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- I. **CALL TO ORDER:** Chairman Hauff called the meeting to order at 10:00 A.M. Chairman Hauff moved Agenda Item IV. D- Institutional Renewal, Penn Foster College, to after Agenda Item V, New Applicants.

- II. **CALL TO THE PUBLIC:** Public input is encouraged. *Presentations must be limited to five minutes. In order to complete the agenda, the Chair may limit the number of speakers at any given meeting. Please be aware, however, that the Council may not discuss, consider or take action at this meeting on any item not appearing on its Agenda.*
Chairman Hauff opened the call to the Public. No individuals from the public were present at the meeting.

- III. **COUNCIL MEETING MINUTES**

MAY 23, 2017 MEETING MINUTES: Chairman Hauff introduced the minutes. Approved as submitted. Ms. Stanfill requested that moving forward, formal titles such as Doctor, be used in meeting minutes where applicable.

Motion to Approve: Mr. Amick

Second: Ms. Elias

Vote: 6-0-0

IV. INSTITUTIONAL RENEWALS

- A. ARIZONA CHRISTIAN COLLEGE:** Dr. Edward Clavell, Director of Online Studies, represented the institution and provided a brief institutional update. He indicated the institution received its Higher Learning Commission (HLC) approval to offer online programs. Ms. Hilton requested information on how the institution will address the development of quality online programs along with the needs of online students in light of the institution's Public Disclosure Notice (PDN) from HLC on Criterion Three, Teaching and Learning. Dr. Clavell responded that the institution has hired an Online Specialist along with additional support staff to develop the online programs and student experience. Ms. Stanfill commented that while the prepared Institutional Profile indicated "No Findings" with the Arizona State Board for Private Postsecondary Education (AZPPSE), the institution was required to post an additional bond with AZPPSE in the amount of \$300,000. Dr. Lech questioned how the institution will support the often costly development of online programs. Dr. Clavell indicated that the programs are not yet operational with anticipated enrollments as early as January 2018 with most opening in July 2018.

Motion to Approve: Dr. Lech

Second: Ms. Stanfill

Vote: 6-0-0

- B. BROOKLINE COLLEGE:** Matthew Egan, Chief Compliance Officer, represented the institution and provided a brief institutional update. Ms. Hilton requested an update on accreditation. Mr. Egan indicated that the institution is in the process of securing placements for Tucson location students and externships for online students. Additionally, the institution is evaluating the discontinuation of low enrollment programs as it moves its accreditation from the Accrediting Council of Independent Colleges and Schools (ACICS) to the Accrediting Bureau of Health Education Schools (ABHES). Dr. Lech expressed concern regarding the institution's 1.6 composite score being so close to the 1.5 required by NC SARA. Mr. Egan explained that the institution and its Board is very aware of the score and the importance of maintaining it at or above 1.5 for SARA purposes and indicated maintaining the required score is a high priority for the institution. Ms. Stanfill informed the Council that the institution is on Notice with the AZPPSE due to its financials and accreditation matters.

Motion to Approve: Ms. Elias
Second: Mr. Amick
Vote: 6-0-0

- C. CENTRAL ARIZONA COLLEGE:** Mary K. Gilliland, Vice President of Academic Affairs, represented the institution and provided a brief institutional update. Dr. Lech commented on the institution's high default rates. Ms. Gilliland indicated the institution underwent a Title IV audit two years ago and has been implementing new measures to address the high default rates since then. Ms. Hilton expressed that the institution's acceptance into the HLC's Guided Pathways program should have a positive impact on its retention efforts.

Motion to Approve: Ms. Hilton
Second: Dr. Lech
Vote: 6-0-0

- D. PENN FOSTER COLLEGE:** Chairman Hauff moved into Executive Session at 11:30 A.M. Regular Meeting resumed at 12:00 P.M.

James Baker, Controller provided opening remarks. The institution was further represented by Heather McAllister, General Counsel. Connie Dempsey, Chief Certification and Licensing Officer, Rebecca McGovern, Senior Manager Regulatory and Outcomes and Thomas Blesso, Chief Financial Officer joined via conference call. Ms. Hilton inquired as to the institution's number of online students. Ms. McAllister indicated all students at the institution are 100% online. Ms. Stanfill requested the number of Arizona students to which Ms. McAllister noted 650 online Arizona students. Ms. Stanfill noted that the institution is in good standing with AZPPSE and thanked the institution for ensuring new audited financials were submitted in a timely manner. Ms. Stanfill expressed her disappointment with NC SARA on its lack of movement forward with Arizona SARA's request to review its policy on the federal financial responsibility rating. Chairman Hauff requested the institution provide an overview of its financial recapitalization to the Council. Mr. Baker explained that in August of last year, the institution added debt which negatively impacted the responsibility rating. Looking forward at the SARA renewal, in July of this year, the institution elected to recapitalize the parent company with an infusion of sixteen million in capital to eliminate the debt and increase the financial rating to within an acceptable SARA score. Dr. Lech questioned the difference in tuition revenue of \$92,184,000 and debt of \$60 million. Ms. McAllister explained that \$30 million was used for the recapitalization and another \$20 was returned to investors. Ms. McAllister added that the \$60 million debt has been repaid in full.

Motion to Approve: Ms. Stanfill
Second: Mr. Amick

Vote: 6-0-0

- E. PIMA COMMUNITY COLLEGE:** Michael Amick, Vice President of Distance Education, represented the institution and provided a brief institutional update indicating the institution's removal from Notice by the HLC. The institution will undergo a peer-review visit by the Commission in Fall 2018. Chairman Hauff asked how many states is Pima active in distance education delivery outside Arizona. Mr. Amick indicated activity in California and other surrounding states. Dr. Lech inquired about advisement to student ratios and technical support for online students. Mr. Amick responded that the institution's online population is primarily supplemental and an advisement model that best supports this population is being researched. The institution does provide technical support to online students.

Motion to Approve: Ms. Hilton

Second: Ms. Elias

Vote: 6-0-0

- F. SOUTHWEST INSTITUTE OF HEALING ARTS:** Brad Boute, Director of Compliance & On-Campus Education, represented the institution and provided a brief institutional update. Dr. Lech commented on the high default rates. Mr. Boute responded that the institution has reworked its entrance and exit counseling for Financial Aid students, along with implementing Drop-Out Detective, a tool that provides analytics on drop-out prevention along with the addition of online student focused advisors and coaches.

Motion to Approve: Ms. Elias

Second: Dr. Lech

Vote: 6-0-0

- G. UNIVERSITY OF ADVANCING TECHNOLOGY:** Jason Pistillo, President, represented the institution and provided a brief institutional update. Ms. Stanfill indicated the institution is in good standing with AZPPSE.

Motion to Approve: Dr. Lech

Second: Ms. Elias

Vote: 6-0-0

- H. YAVAPAI COLLEGE:** Stacey Hilton, Dean of Instructional Support, represented the institution and provided a brief institutional update. Dr. Lech questioned the high default rates. Ms. Hilton indicated the institution is awaiting the results of the Title IV audit. Institution is also participating in the HLC's Guided Pathways program to assist in retention efforts.

Motion to Approve: Dr. Lech

Second: Ms. Stanfill

Vote: 5-0-1 (Hilton)

V. NEW APPLICANTS

- A. COCONINO COMMUNITY COLLEGE:** Dr. Michael Merica, Director of Institutional Research, Dr. Gonzalo Perez, Associate Vice President of Innovative Learning Solutions and Dr. Dudley Gardner, Interim Provost represented the institution. Dr. Lech inquired as to the institution's Learning Management System (LMS). Dr. Merica indicated the institution uses Canvas and most online students are supplemental. Chairman Hauff noted the high default rates and Dr. Merica highlighted the institution's higher at risk population and continued efforts at retention and financial aid counseling.

Motion to Approve: Ms. Hilton

Second: Mr. Amick

Vote: 6-0-0

- B. EASTERN ARIZONA COLLEGE:** Dr. Janice Lawhorn, Dean of Curriculum and Instruction, represented the institution and provided an introductory overview. Accompanying her was Mr. Greg Watson, Center for Teaching & Learning Director and Business Instructor. Ms. Hilton requested further information on the accreditation issue noted in the institution's documentation. Dr. Lawhorn explained that the nature of the issue was diversity on campus, specifically related to student clubs, and that the institution continues to be responsive to student diversity needs as they arise. Ms. Hilton inquired as to the institution's HLC approval for online offerings. Dr. Lawhorn indicated the institution has Commission approval for online. Dr. Lech inquired as to the institution's lack of default rates to which Dr. Lawhorn explained the institution does not participate in the federal financial aid Title IV program. The institution facilitates private loans, payment plans and Pell Grants only.

Motion to Approve: Mr. Amick

Second: Ms. Stanfill

Vote: 6-0-0

- C. INTERNATIONAL BAPTIST COLLEGE AND SEMINARY:** Mr. Jeff Caupp, Undergraduate Academic Officer, represented the institution and provided an introductory overview. Present with him was Dr. Wayne Bley, Chief Academic Officer. The institution currently operates as exempt from AZPPSE oversight as a religious institution. Due to the institution's teacher education programmatic offerings, the institution will need to seek AZPPSE approval prior to SARA approval, as these programs lead to a licensed profession, removing the institution's AZPPSE exemption status. The institution will reapply to the Arizona SARA Council after receiving AZPPSE approval.

VI. EXECUTIVE DIRECTOR'S REPORT

- A. BUDGET UPDATE:** The budget was presented to the Council in meeting materials. Current total fees balance is \$362,108 and expenses incurred in FY to date total \$31,470 with a balance of \$330,638.
- B. STUDENT COMPLAINTS:** Ms. Dueck provided the Council members with a summary of complaints received between February 2017 through August 2017. Eight new complaints were documented as of the last Council meeting. No complaints constituted review by the Council per NC SARA policy.
- C. NORTHERN ARIZONA SARA COUNCIL APPOINTMENT:** Council Member Shari Miller's last Council meeting was May 23rd, 2017 due to her retirement. Ms. Miller represented Northern Arizona University (NAU). Ms. Dueck is currently working with the Arizona Board of Regents (ABOR) to secure a new NAU appointment. The new appointment has been requested to be filled for the Arizona SARA Council's January meeting.
- D. ARIZONA SARA 2017 FORUM REVIEW:** Ms. Dueck provided the final results (below) from the Arizona SARA Council 2017 Forum held in May. Additionally, Councilmembers were provided with copies of the survey results which demonstrated favorable outcomes from Forum participants. Plans are underway for the 2018 Forum.
- I. 22 of the 24 AZ SARA institutions participated
 - II. AZ SARA Institutions not in attendance:
 1. Central Arizona College
 2. Sessions College
 - III. Three interested but not AZ SARA approved institutions also attended:
 1. Bryan University
 2. International Baptist College and Seminary
 3. The Refrigeration School
 - IV. 60 Registered Participants
- E. NC SARA UPDATE:**
- I. **NC SARA SEPTEMBER 2017 STATE PORTAL MEETING:** In September NC SARA held its annual meeting for SARA portal meeting leaders in Austin, TX. Chairman Hauff and Ms. Dueck represented Arizona. Agenda items highlighted below.
General SARA Overview
Federal Activities Update

Operations/Salesforce
Data Enrollment Requirements
Policy Update

- II. **POLICY UPDATE-PHYSICAL PRESENCE:** At its May, 2017 Board meeting, The NC SARA Board approved changes to SARA's physical presence policy. Arizona SARA Council impact: The policy update is concerning SARA participating institutions that have both and online and on ground presence in a SARA participating host state. It clarifies that in such a case, the host state may elect to regulate the online offerings via the state's higher education regulations along with the on ground offerings, or the state may elect to allow the online offerings to be regulated via SARA reciprocity while the on ground offerings are regulated via the host state's higher education regulations. It is the host state, not the home state, that makes this determination. This policy may affect some Arizona SARA institutions in how they are regulated in participating SARA host states. Ms. Dueck and Chairman Hauff have been in regular communication with NC SARA, impacted host states and impacted Arizona institutions in relation to this policy.

F. INSTITUTION VISITS

- I. YAVAPAI COLLEGE- 9.15.2017
- II. ARIZONA CHRISTIAN UNIVERSITY- 9.21.2017
- III. BRYAN UNIVERSITY- 9.21.2017
- IV. SOUTHWEST INSTITUTE OF HEALING ARTS- 9.22.17

- G. 2017 COUNCIL MEETING DOODLE POLL:** Council members will receive a Doodle poll to schedule the next set of Council meetings for the 2018 year.

H. NEXT COUNCIL MEETING:

1.23.18 @ 10:00 AM. INSTITUTIONS UP TO RENEWAL

- I. ACACIA UNIVERSITY
- II. SOUTHWEST COLLEGE OF NATUROPATHIC MEDICINE

- VII. ADJOURNMENT:** The Meeting of the Arizona SARA Council Adjourned at 2:46 P.M.