



Georgia Nonpublic Postsecondary
Education Commission

BOARD MEETING MINUTES

DATE: Monday, January 28, 2019
TIME: 1:00 PM
LOCATION: GNPEC, Tucker, GA

MEETING CHAIR: Holly Kirbo
MEETING TITLE: Board of Commissioners

MEMBERS PRESENT:

Holly Kirbo, **Chair**
Mollie Cohen, **Vice Chair**
Lee Todd, IV
Norma Nunez-Cortes (via teleconference)
Amanda Shailendra
Toby Hinton
Ryan Blythe

MEMBERS ABSENT:

Dr. Arthur Vaughn
Victoria Agyekum
Karen Gilbert

VISITORS:

Kayla Washington, Office of Planning & Budget
Dr. Martha Nesbitt (former Commissioner)

1. CALL TO ORDER AND INVOCATION

Chair, Holly Kirbo called the meeting to order at 1:19 PM

2. APPROVAL OF AGENDA

Mollie Cohen made a motion to adopt the Agenda for the January 28, 2019 Quarterly Commission Meeting of the Georgia Nonpublic Postsecondary Education Commission. Lee Todd seconded the motion.

3. PRESENTATION TO FORMER COMMISSIONERS

Executive Director, Corinna Robinson presented Dr. Martha Nesbitt with a plaque of appreciation for her years of service while serving as a Commissioner for the Georgia Nonpublic Postsecondary Education Commission. A plaque of appreciation was presented to Clint Hobbs and Ryan Worsley as well, however, the former Commissioners could not attend the presentation. Their plaques were mailed to them with a letter from Executive Director Robinson.

4. APPROVAL OF MINUTES

Toby Hinton made a motion to adopt the Minutes from October 15, 2018 Quarterly Meeting of the Georgia Nonpublic Postsecondary Education Commission. Mollie Cohen seconded the motion.

Upon unanimous vote it was **RESOLVED** that the Minutes from the October 15, 2018 Meeting of the Georgia Nonpublic Postsecondary Education Commission be adopted.

5. QUARTERLY REPORT (unaudited): TUITION GUARANTY TRUST FUND

Chair Kirbo acknowledged that the Board of Trustees were present for the earlier Tuition Guaranty Trust Fund meeting and therefore, she entertains the motion that the TGTF Quarterly Report be adopted respectfully.

Chair Kirbo made a motion to adopt the Quarterly Report of the Tuition Guaranty Trust Fund for the six-month period ending December 31, 2018. Amanda Shailendra seconded the motion.

Upon unanimous vote it was **RESOLVED** that the Quarterly Report of the Tuition Guaranty Trust Fund for the six-month period ending December 31, 2018, as approved by the Board of Trustees of the Tuition Guaranty Trust Fund, **be adopted**.

6. APPROVAL OF UPDATED BY-LAWS RELATING TO BOARD MEMBERSHIP

Presented by Executive Director, Corinna Robinson

A. The following "mark-up" was applied to the Commission By-laws pertaining to "membership:

Board Membership

The Board of Commissioners of the Commission (the "Board") shall consist of ~~15~~ **11** members who are appointed by the Governor and confirmed by the Senate. ~~Members of the commission shall be appointed for terms of three years each. One member is appointed from each congressional district and the remaining member is appointed as an at-large member.~~ Each member serves for the term of office to which the person is appointed and until a successor is appointed, confirmed, and qualified. Members may be appointed to succeed themselves but shall not serve for more than two full consecutive terms. O.C.G.A. § 20-3-250.4(a).

~~Two members of the commission are appointed to represent degree-granting nonpublic postsecondary educational institutions and two members are appointed to represent nonpublic postsecondary educational institutions which grant certificates only.~~ **At least one member of the commission shall be appointed to represent degree-granting nonpublic postsecondary educational institutions, at least one member shall be appointed to represent nonpublic postsecondary educational institutions which grant certificates only, and at least one member shall be appointed to represent exempt education and postsecondary educational institutions as provided in subsection (a) of Code Section 20-3-250.3.** The remaining members shall not be employed by or otherwise represent or have an interest in any nonpublic postsecondary educational institution. O.C.G.A. § 20-3-250.4(b).

Vacancies on the commission, except those caused by expiration of term, shall be filled by the Governor's appointing a successor who meets the requirement for the vacated position and who shall be confirmed by the Senate to serve for the remainder of the unexpired term of office. O.C.G.A. § 20-3-250.4(c).

B. The following "mark-up" was applied to the TGTF By-laws pertaining to "membership:

Board Membership

The Board of Trustees shall consist of five members of the Georgia Nonpublic Postsecondary Educational Commission Board ("Commission Board") designated by majority vote of the Commission Board, **where at least two members shall represent postsecondary educational institutions.** ~~One such member shall be a representative of a nonpublic nondegree-granting postsecondary educational institution, and one of such members shall be a representative of a degree-granting postsecondary educational institution.~~ O.C.G.A. § 20-3-250.27(b)(2).

Each member shall serve for a term of one year as set by the Commission. O.C.G.A. § 20-3-250.27(b)(2). Members can serve multiple terms, with a maximum of six (6) consecutive terms.

The Commission Board may provide for another member of the Commission Board to serve in the place of a member of the Board of Trustees who is absent from a meeting of the Board of Trustees by majority vote of the Commission Board. O.C.G.A. § 20-3-250.27(b)(2).

Members of the Board of Trustees shall be subject to all State and agency ethics proclamations and the statutory requirements of O.C.G.A. §§ 45-10-3 and 45-10-4.

Chair Kirbo asked the commissioners if there were any questions concerning the updates to the Commission and TGTF By-laws. There was none.

Lee Todd made a motion for the Commission to **ADOPT** the Updated By-laws for the Commission, relating to board membership. Mollie Cohen seconded the motion.

Upon unanimous vote it was **RESOLVED** that the Updated By-laws for the Commission, relating to board membership **be adopted**.

Lee Todd made a motion for the Commission to **ADOPT** the Updated By-laws for the TGTF, relating to board membership. Amanda Shailendra seconded the motion.

Upon unanimous vote it was **RESOLVED** that the Updated By-laws for the TGTF, relating to board membership **be adopted**.

7. APPROVAL OF PROPOSED CHANGES TO MINIMUM STANDARD 8 FINANCIAL RESOURCES

Presented by Adam Hawk

The following mark-up was applied to GNPEC Minimum Standard 8:

Standard Eight: Financial Resources

The following criteria are used by professional staff members and evaluation committees as indicators of compliance for the standard.

1. The institution provides the appropriate fees and surety bonding.
2. The institution adheres to generally accepted accounting principles (**GAAP**) in the maintenance of its financial records and provides an income/expense statement and a balance sheet **annually** using the financial form provided by NPEC.

OR

~~The institution provides a formal independent financial audit prepared by a certified public accountant. If the institution's Georgia operation is a branch or subsidiary of a larger corporation, an audited financial statement for the previous fiscal year prepared and certified by an independent, certified public accountant for the corporation is provided.~~

Additionally:

- **Institutions reporting gross tuition between \$500,000 and \$1,000,000 are required to submit a Certified Public Accountant (CPA) financial review of the most recently completed fiscal year.**
 - **Institutions reporting gross tuition over \$1,000,000 are required to submit a CPA prepared independent financial audit of the most recently completed fiscal year.**
3. The authorized institution:
 - has unrestricted funds available in the amount of ~~one year's projected~~ **30 days** expenses **as indicated in the most recent NPEC Financial Statement;**
 - is not totally dependent on an increase in **tuition or fees** ~~or enrollment~~ in order to remain solvent in the current year and the immediately ensuing year;
 - ~~has funds to operate which are not limited to current tuition or accounts receivable.~~

OR

The institution which is seeking **initial** authorization ~~has:~~

- ~~filed a financial statement prepared prior to application for authorization by an independent, certified public accountant showing the assets and liabilities of the institution;~~
 - ~~provided an estimate of income which exceeds expenses for the first year of operation, using reporting forms provided by NPEC;~~
 - **has** unrestricted funds in the amount of ~~one year's~~ **90 days** projected expenses available.
 - **provides a projected income/expense statement and a balance sheet for the 12-month fiscal year using the financial form provided by NPEC;**
4. The institution keeps financial records that separately identify all income and expenditures including but not limited to tuition, fees, and income from ancillary sources.
 5. The institution that is a component of a business which also maintains non-instructional enterprises or functions ensures that income and expense records are maintained separately for the various functions.
 6. The institution ~~whose fiscal information indicates that it is not financially sound has submitted a plan for financial recovery~~ **provides supplemental documentation requested as part of the Financial Viability Assessment (ex. Financial Improvement Plan, Teach-Out Plan, CPA review and/or CPA audit).**

Commissioner Hinton suggested that the terminology "**funds**" be replaced with the term "**cash on hand**" under number 3 and the first bullet, also under number 3 and the sixth bullet.

Phil Embry, GNPEC Internal Auditor, suggested that the terminology read "**unrestricted cash on hand**" instead of "**cash on hand**".

Adam Hawk was open to the suggested changes and the Commission compromised with terminology reading as **“has unrestricted cash on hand”**.

Chair Kirbo called for a motion to be made that the Commission **ADOPT** these changes to Minimum Standard 8, in addition, will strike language in number 3, first bullet and number 3, sixth bullet to read:

- **“has unrestricted cash on hand** available in the amount of 30 days expenses as indicated in the most recent NPEC Financial Statement;”
- **“has unrestricted cash on hand** in the amount of 90 days projected expenses available”.

Norma Nunez-Cortes made a motion for the Commission to **ADOPT** the changes to Minimum Standard 8, with the respective strikes as well. Amanda Shailendra seconded the motion.

Upon unanimous vote, it was **RESOLVED** that the Commission accept the changes to Minimum Standard 8, with the respective strikes as well, **be adopted**.

8. REPORT ON GNPEC FY19 OPERATIONS BUDGET - 2nd Quarter, Ending December 31, 2019

Executive Director, Corinna Robinson discussed the following:

- Under 50% of operating budget
- Presented a plan of savings to OPB this year
- No computer charges thus far
- “Contracts” over budget; SPR funds will balance out at FY end
- Budget projection on target for the year

Chair Kirbo asked the Commission if there were any questions.

There was none.

No approval required.

9. Executive Director’s Report

Presented by Executive Director, Corinna Robinson

- FY19, 2nd Quarter Report of New Authorized Schools
- Executive Director Robinson announced January 31, 2019 would be her last day as Executive Director for GNPEC
 - a. Governor Kemp has selected her replacement
 - b. New Executive Director should resume position very soon

No approval required.

10. OTHER BUSINESS

Commissioner Shailendra suggested that the agency (GNPEC) investigate and consider becoming involved in the HBCU Task Force. Executive Director Robinson replied that she would have a staff member research this task force.

Commissioner Blythe asked, “has there been any review in terms of the construction industry of standards for instructors?” He receives complaints from students who are concerned with a wide range of experiences, in term of making sure that there is industry certification specific to these construction trades. “Is that something that is every considered when authorizing or reauthoring schools?”

Adam Hawk, Program Manager for GNPEC responded by saying that there is a set of Minimum Standards that is across the board for all institutions, but not specific to any area. GNPEC Minimum Standards does require credentials for instructors in the way of required work experience and completing the Personnel Data Form at the time of authorization and reauthorization. These documents are reviewed to make sure this Minimum Standard is met.

Commissioner Blythe suggested that there should be a disclaimer. His concern is if you are operating a welding school and you don’t have a certified welding inspector, you cannot issue a certificate to students. This is an industry problem.

Executive Director Robinson assured Commissioner Blythe that she will present his concern to Deputy Director, Laura Vieth when she returns to the office from vacation.

No approval required.

11. 2018 Meeting Dates

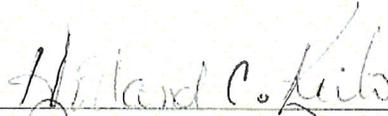
- April 29, 2019 *Savannah/overnight on April 28th
- July 22, 2019 * to be determined
- October 28, 2019 *Annual Meeting – Atlanta area school visit

12. ADJOURN

Holly Kirbo made a motion to adjourn the commission meeting. Ryan Blythe seconded the motion.

There being no further business, the meeting adjourned at 2:09 PM

BOARD CHAIR APPROVAL:
(Signature & Date)



BOARD SECRETARY APPROVAL:
(Signature & Date)

