

MINUTES

NONPUBLIC POSTSECONDARY EDUCATION COMMISSION

October 24, 2016

1:30 P.M.

Pursuant to notice, the Quarterly meeting of the Board of Trustees of the Tuition Guaranty Trust Fund was held at the Nonpublic Postsecondary Education Commission, located at 2082 E. Exchange Place, Tucker, GA, 30084.

MEMBERS PRESENT:	Martha Nesbitt, Chair	9 th Congressional District
(via teleconference)	Clinton Hobbs, Vice Chair	AT LARGE
	Arthur Vaughn, Secretary	11 th Congressional District
	Mollie Cohen	2 nd Congressional District
	Deb Wade	4 th Congressional District
	Amanda Shailendra	5 th Congressional District
(via teleconference)	Shelley Nickel	6 th Congressional District
	Toby Hinton	7 th Congressional District
	Holly Kirbo	8 th Congressional District
	Norma Nunez-Cortes	12 th Congressional District
	Karen Gilbert	13 th Congressional District

MEMBERS ABSENT:	Lee Todd	3 rd Congressional District
	Victoria Agyekum	1 st Congressional District
	Ryan Worsley	10 th Congressional District

STAFF PRESENT:	Dr. Carl G. Camann	Deputy Director
	Shirlene Mitchell	Office Manager
	Adam Hawk	Standards Administrator
	Pythagoras Aaron	Standards Administrator
	Magda Rivers	Standards Administrator
	Laura Vieth	Standards Administrator
	Pat Neri	GA SARA Coordinator
	Phil Embry	External Auditor

VISITORS:	Brian Lipton	Office of Planning & Budget
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1. CALL TO ORDER

Chair Martha Nesbitt called the meeting to order at 1:30pm.

2. INVOCATION

Karen Gilbert gave the Invocation.

3. RECOGNITION OF VISITORS

Brian Lipton from the Governor's Office of Planning & Budget was present.

4. APPROVAL OF AGENDA

Norma Nunez-Cortes made a motion to adopt the Agenda for the October 24, 2016 Quarterly Commission Meeting of the Nonpublic Postsecondary Education Commission. The motion was seconded by Deb Wade.

Upon unanimous vote it was **RESOLVED** that the Agenda for the October 24, 2016 meeting be adopted.

5. APPROVAL OF MINUTES

Chair Nesbitt asked that the Commission review the Minutes and if there were any corrections. There were none.

Holly Kirbo made a motion to adopt the Minutes from the July 18, 2016 Quarterly Commission Meeting of the Nonpublic Postsecondary Education Commission. The motion was seconded by Norma Nunez-Cortes.

Upon unanimous vote it was **RESOLVED** that the Minutes from the July 18, 2016 Quarterly Commission Meeting of the Nonpublic Postsecondary Education Commission be adopted.

6. QUARTERLY REPORT (Unaudited): TUITION GUARANTY TRUST FUND

Deputy Director Dr. Carl Camann referenced the discussion on the TGTF Report during the TGTF Board of Trustees meeting prior to the Commission meeting. There was no additional information to report.

Chair Nesbitt asked the commissioners if they had any questions or comments relating to the Tuition Guaranty Trust Fund report. There were none.

Deb Wade made a motion to adopt the Quarterly Report of the Tuition Guaranty Trust Fund for the three month period ending September 30, 2016 **as approved** by the Board of Trustees of the Tuition Guaranty Trust Fund. The motion was seconded by Amanda Shailendra.

Upon unanimous vote it was **RESOLVED** that the Quarterly Report of the Tuition Guaranty Trust Fund for the three-month period ending September 30, 2016 **as approved** by the Board of Trustees of the Tuition Guaranty Trust Fund be adopted.

7. ELECTION OF BOARD OF COMMISSIONERS OFFICERS

Chair Martha Nesbitt nominated Clint Hobbs for position of Chair of the Nonpublic Postsecondary Education Commission for FY2017.

Shelley Nickel made a motion to elect Clint Hobbs for Chair of the Nonpublic Postsecondary Education Commission for FY2017. The motion was seconded by Norma Nunez-Cortes.

Upon unanimous vote it was **RESOLVED** that Clint Hobbs serves as Chair of the Nonpublic Postsecondary Education Commission for FY2017.

Clint Hobbs accepted the position as Chair.

Norma Nunez-Cortes nominated Dr. Arthur Vaughn for position of Vice Chair of the Nonpublic Postsecondary Education Commission for FY2017

Amanda Shailendra made a motion to elect Dr. Arthur Vaughn for Vice Chair of the Nonpublic Postsecondary Education Commission for FY2017. The motion was seconded by Karen Gilbert.

Upon unanimous vote it was **RESOLVED** that Dr. Arthur Vaughn serves as Vice Chair of the Nonpublic Postsecondary Education Commission for FY2017.

Dr. Arthur Vaughn accepted the position as Vice Chair.

Dr. Arthur Vaughn nominated Holly Kirbo for position of Secretary for the Nonpublic Postsecondary Education Commission for FY2017.

Karen Gilbert made a motion to elect Holly Kirbo for position of Secretary for the Nonpublic Postsecondary Education Commission for FY207. The motion was seconded by Amanda Shailendra.

Upon unanimous vote it was **RESOLVED** that Holly Kirbo serves as Secretary of the Nonpublic Postsecondary Education Commission for FY2017.

Holly Kirbo accepted the position as Secretary.

8. ELECTION OF TUITION GUARANTY TRUST FUND BOARD OF TRUSTEES

The positions of Chair, Vice Chair, and Secretary for FY2017 were elected during the election of officers during the Commission election. Clint Hobbs will serve as Chair for the TGTF Board of Trustees. Dr. Arthur Vaughn will serve as Vice Chair for the TGTF Board of Trustees. Holly Kirbo will serve as Secretary for the TGTF Board of Trustees for FY2017.

Amanda Shailendra, Norma Nunez-Cortes and Toby Hinton were nominated to serve as TGTF Board of Trustees for FY2017.

Upon unanimous vote it was **RESOLVED** that Amanda Shailendra, Norma Nunez-Cortes and Toby Hinton serve as TGTF Board of Trustee officers for FY2017.

All members accepted their position.

9. NPEC OPERATING BUDGET QUARTERLY REPORT ENDING SEPT. 30, 2016

Deputy Director Dr. Carl Camann reviewed the contents of this report, noting that the report reflected that spending was well in line with expectations and that Personal Services, in particular, were less than 25 per cent of the line item allocated.

In response to Commissioner Kirbo's inquiry about what NPEC considers an "Independent Contractor" and where the funds come from to pay them, External Auditor Embry clarified that Special Purpose Revenue funds are used to pay for contractors who are employed for specific functions under individual contract.

Commissioner Shailendra congratulated NPEC's efforts to assure that the "Personal Services" budget reflects actual cost.

No approval required.

10. EXECUTIVE DIRECTOR'S REPORT

Deputy Director Dr. Carl Camann discussed the following:

- **Proposed Agency Legislation regarding exempt schools code section**
Consistent with the Commission's request, legislation anticipated to be submitted during the 2017 Legislative Session is being written. This legislation will seek to modify the existing Exemption section of State Code to permit the specifically enable the Commission to establish procedures relative to obtaining and maintaining an exemption. Additionally, a wording change will be submitted to update the content of paragraph 7 of this particular Code section.
- **Financial Viability First Year report (presented by Phil Embry)**
Dr. Camann asked External Auditor Phil Embry to provide this information. Mr. Embry indicated that all schools were on a three-year cycle, but that some schools were reviewed every year. Additionally, schools which we found to be weak financially were placed on a shortened authorization period, required to provide regular financial updates, and monitored closely. Several schools closed due to not being found to be financially viable and at least one school's application was denied due to this. A general discussion ensued, during which it was additionally clarified that SARA schools are not eligible for TGTF reimbursement and that legislation could be considered for the 2018 Legislative Session to defer risk to the TGTF in the event that the required bonding period had expired.

These changes could include changing bonding amounts and/or requiring bonds for schools not found to be financially viable.

- **FY17 First Quarter Report of New Authorized Schools**

Specific information was included on these schools. During ensuing discussion, it was clarified that ACICS schools were being monitored on their progress toward attaining new accreditation, since the US Secretary of Education had determined that ACICS would no longer be recognized as an accrediting body. No accreditation would not require an existing school to file an application as a “new” school.

No approval required.

11. OTHER BUSINESS

No other business.

12. NEXT COMMISSION MEETING

- Monday, January 30, 2017
- 1:00pm at NPEC Office in Tucker, Georgia

13. ADJOURNMENT

Dr. Arthur Vaughn made a motion to adjourn meeting. The motion was seconded by Karen Gilbert.

Meeting adjourned at 2:50 P.M.

Martha Nesbitt, Chair
Arthur Vaughn, Secretary