

## MINUTES

### NONPUBLIC POSTSECONDARY EDUCATION COMMISSION

January 25, 2016

1:41 P.M.

Pursuant to notice, the Quarterly Meeting of the Nonpublic Postsecondary Education Commission was held at 2082 East Exchange Place, Azalea Conference Room, Tucker, Georgia 30084.

#### MEMBERS PRESENT:

Victoria Agyekum	1st Congressional District
Mollie Cohen	2 <sup>nd</sup> Congressional District
Lee Todd	3 <sup>rd</sup> Congressional District
Deb Wade	4 <sup>th</sup> Congressional District
Amanda Shailendra	5 <sup>th</sup> Congressional District
Shelley Nickel	6 <sup>th</sup> Congressional District
Toby Hinton	7 <sup>th</sup> Congressional District
Martha Nesbitt	9 <sup>th</sup> Congressional District
Ryan Worsley	10 <sup>th</sup> Congressional District
Arthur Vaughn	11 <sup>th</sup> Congressional District
Karen Gilbert	13 <sup>th</sup> Congressional District
Alexander Whitaker	14 <sup>th</sup> Congressional District
Clint Hobbs	AT LARGE

#### MEMBERS ABSENT:

Holly Kirbo	8 <sup>th</sup> Congressional District
Norma Nunez-Cortes	12 <sup>th</sup> Congressional District

#### STAFF PRESENT:

Corinna M. Robinson	Executive Director
Shirlene Mitchell	Office Manager
Carl G. Camann	Deputy Director
Linda Exley	Standards Administrator
Adam Hawk	Standards Administrator
Magda Rivers	Standards Administrator
Laura Vieth	Standards Administrator
Patricia Neri	GA SARA Coordinator
Phil Embry	External Auditor

#### VISITORS:

No Visitors

Chair Martha Nesbitt called the meeting to order at 1:41pm and welcomed the most recently Governor appointed commissioners, Mollie Cohen (2<sup>nd</sup> Congressional District) and Amanda Shailendra (5<sup>th</sup> Congressional District).

Executive Director Corinna M. Robinson introduces the Nonpublic Postsecondary Education Commission staff present.

## **1. INVOCATION**

Lee Todd gave the Invocation.

## **2. RECOGNITION OF VISITORS**

There were no visitors present.

## **3. APPROVAL OF AGENDA**

Arthur Vaughn made a motion to adopt the Agenda for the January 25, 2016 Quarterly Commission Meeting of the Nonpublic Postsecondary Education Commission. The motion was seconded by Shelley Nickel.

Upon unanimous vote it was **RESOLVED** that the Agenda for the January 25, 2016 meeting be adopted.

## **4. APPROVAL OF MINUTES**

Chair Martha Nesbitt asked that the commission review the Minutes and if there were any corrections. There were no responses from the commission.

Shelley Nickel made a motion to adopt the Minutes from the October 19, 2015 Quarterly Commission Meeting of the Nonpublic Postsecondary Education Commission. The motion was seconded by Victoria Agyekum.

Upon unanimous vote it was **RESOLVED** that the Minutes from the October 19, 2015 Quarterly Commission Meeting of the Nonpublic Postsecondary Education Commission be adopted.

## **5. APPROVAL OF FY16 SECOND QUARTER REPORT: TUITION GUARANTY TRUST FUND**

Executive Director Corinna Robinson started by addressing the two new commission members (Mollie Cohen and Amanda Shailendra) and acknowledging distribution of the new member introductory package that she sent to them prior to the meeting.

Executive Director Corinna Robinson stated the purpose of the Tuition Guaranty Trust Fund (TGTF), since it was the first meeting of the two new commission members. The TGTF is a safety net for students of closed schools. It serves as an insurance pool of funds available for students of closed institutions. All

authorized schools are required to make five annual payments into the fund. The Commission adopted a fee structure based upon one-tenth of one percent of the schools' annual gross tuition receipts.

Executive Director Corinna Robinson recapped the Fiscal Year 2016 Quarterly Report of the Tuition Guaranty Trust Fund for the six-month period ending December 31, 2015 (attached) as approved by the Board of Trustees of the Tuition Guaranty Trust Fund.

Chair Nesbitt asked if any of the commissioners had questions about the TGTF Quarterly Report. There were no questions.

Deb Wade made a motion to adopt the Quarterly Report of the Tuition Guaranty Trust Fund for the six-month period ending December 31, 2015 as approved by the Board of Trustees of the Tuition Guaranty Trust Fund. The motion was seconded by Arthur Vaughn.

Upon unanimous vote it was **RESOLVED** that the Quarterly Report of the Tuition Guaranty Trust Fund for the six-month period ending December 31, 2015 as approved by the Board of Trustees of the Tuition Guaranty Trust Fund be adopted.

## **6. REPORT ON NPEC FY16 OPERATING BUDGET Ending December 31, 2015**

Executive Director Corinna M. Robinson discussed the following:

- Total annual operating budget
- These areas have projected shortfalls due to Office of Planning & Budget (OPB) standard base allowance:
  - a. Contracts
  - b. Telecommunications
  - c. Personal Services
- Update on Personal Services:
  - a. Currently working with OPB, and OPB just completed a mid-year analysis for executive director's review. This will help Executive Director Robinson to see any areas of projected shortfalls and provide suggestions for adjustments.
  - b. While reviewing the current and past agency budgets, Executive Director Robinson identified that not enough funds were allocated for salary benefit fringes, including funding for one administrative employee.
  - c. Governor Deal has requested in his FY2017 budget an increase in funds for NPEC's Personal Services, which will aide in being properly funded in that category for nine full-time employees.

Chair Nesbitt asked if there were any questions directed to Executive Director Robinson concerning the FY16 Operating Budget.

The following questions were asked by the commission:

- a. How did the shortfall for Personal Services happen and why has it not been caught?
- b. With the Governor requesting a budget increase for Personal Services for FY2017, will this fix the problem?
- c. Will funds be requested from the TGTF to accommodate the shortfall in Personal Services?

Executive Director Corinna Robinson answered by saying she is not sure how this initially happened, but the previous executive director always had to move funds around to get the budget to balance, as well as use the Special Purpose Funds to make-up the shortfalls. The budget was always balanced as required.

Executive Director Robinson also stated that by Personal Services becoming better funded in FY2017, this area of the budget should be fine going forward. This does not solve the shortfall for FY2016, but she is working closely with OPB and will review their mid-year analysis to determine next steps.

The goal is to not access the TGTF. The movement of any funds relating to TGTF requires commission approval and will be discussed if needed. The FY2017 budget request by the Governor is new state funds.

The Executive Director informed the commission that NPEC is still underfunded for overall operating expenses, but she will continue to advocate for an adjustment in all the areas of the budget where NPEC is continuing to experience shortfalls.

No approval required.

## 7. EXECUTIVE DIRECTOR'S REPORT

Executive Director Corinna Robinson discussed the following:

- The legislative session has begun and in its third week.
  - a. No agency legislation for NPEC this year.
  - b. Executive Director Robinson attends Higher Education Committee and Appropriations meetings throughout the legislative session. The Executive Director has been called to testify and present to the Joint House and Senate Higher Education Committees on January 27, 2016. As the Executive Director, she makes herself available to answer any questions legislators have during Session.
- **FY2015 NPEC Annual Report** (attached)
  - a. Number of institutions authorized in FY15, student transcript requests, complaints investigated, new school applications processed.
  - b. Page 13, Exempt Institutions
    - i. Is Augusta Area Dietetic Internship a school?

Deputy Director Dr. Carl Camann responded that he is not sure and thinks they may be affiliated with a hospital in the Savannah area but that NPEC is currently checking that information.
    - ii. Morris Brown College exempt status was questioned by the commissioners.

The following conversation took place:

      - ❖ Morris Brown College has not provided NPEC with an audited financial statement for the last couple of years.
      - ❖ NPEC has notified Morris Brown College on several occasions of their missing financial statements and NPEC has not received a response as of today.
      - ❖ Morris Brown College has violated the exemption code by losing accreditation and filing bankruptcy.

- ❖ The commission is interested in what recourse, if any, can be taken against Morris Brown College for violating the exemption code and having them removed from the exemption status.
- ❖ Currently there is nothing in the code that indicates what actions will take place.
- ❖ If any action takes place, it might have to be with legislation.
- ❖ Prior to the next commission meeting, a certified letter will be sent to Morris Brown College as a final notification attempt.
- ❖ Also, prior to the next commission meeting, Executive Director Robinson will submit a request to the Attorney General's office for an interpretation of the code and guidance on how to move forward with this issue.

Ryan Worsley made a motion, "in the commission's effort to protect students in higher education, we the commission recommend that Executive Director Corinna Robinson inquire with the Attorney General's Office about recourse that can be taken with schools that do not maintain their exempt status and report back to the commission at the next commission meeting in April." The motion was seconded by Lee Todd.

Upon unanimous vote it was **RESOLVED** that Executive Director Corinna Robinson inquire with the Attorney General's Office about recourse that can be taken with schools that do not maintain their exempt status and report back to the commission at the next commission meeting in April.

- **FY2016 Quarterly Report of New Authorized Schools** (attached)
- **Edvera Update**
  - a. Institutions can submit applications and renewals online. It's all electronic.
  - b. E-commerce will be an option for schools. ACH and credit card payments will be accepted from schools.
  - c. Students will be able to pay for transcripts by ACH or credit card, which should be available in the spring.
- **Update on Georgia SARA and NPEC SARA State Portal Agency**
  - a. Approved on October 29, 2015 and began accepting applications in December.
  - b. SCAD was the first school to be approved.
  - c. A summary of applications received was provided.

No approval required.

## 8. Other Business

No other business.

## 9. 2016 MEETING DATES

- Monday, April 18, 2016
- Monday, July 18, 2016 Annual Meeting
- Monday, October 24, 2016

## **10. ADJOURNMENT**

Alexander Whitaker made a motion to adjourn meeting. The motion was seconded by Ryan Worsley.

Meeting adjourned at 2:30 P.M.

Martha Nesbitt, Chair  
Arthur Vaughn, Secretary