



State Board of Career Colleges and Schools

Volume 13, Issue 2

December 2007



Executive Director's Report

On November 28th we held our final Board Meeting for 2007. During the meeting, the Board recognized departing Board chairperson Mrs. Linda Hanaway who has served as one of the Board's public members since 2001 and who also served as the Board chairperson for the last five years. Mrs. Hanaway's dedication and commitment to excellence has helped improve the operations of the Board and Ohio's career education system and I hope you will join me in wishing Mrs. Hanaway great success in her future endeavors.



Linda Hanaway (center) receiving recognition for her outstanding leadership from Board Members (L-R) Ken Searfoss, Charles Kramer, Ken Miller and Dennis Bartels.

The Board has scheduled an Administrative Rules Hearing for January 30th. The hearing will take place after the Board's regularly scheduled meeting. The proposed changes can be viewed on the Board's web site at www.scr.ohio.gov/lawrule. We have listed the Board meeting dates for 2008 on page 7. I look forward to seeing many of you in attendance at the Board meetings. In the meantime, if there is anything that we can assist you with, please contact the Board office.

Mr. John Ware
Executive Director

Board Members
Mrs. Linda Hanaway
Chairperson

Dr. Kenneth Searfoss
Vice Chair

Mr. Charles Kramer
Board Secretary

Mr. Kenneth Miller
Board Member

Mr. Dennis Bartels
Board Member

Dr. Steven Puckett
Board Member

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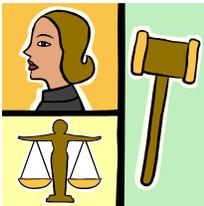


Public Hearing Notice

Pursuant to Chapter 119 of the Ohio Revised Code, the Ohio State Board of Career Colleges and Schools will conduct a Public Rules Hearing on Wednesday, January 30, 2008, at 11:15 a.m. in the offices of the State Board of Career Colleges and Schools at 35 East Gay Street, Suite 403, Columbus, Ohio, 43215.

The following administrative rules will be considered for amendments: 3332-1-04 Certificate of registration; 3332-1-04.3 Change of school ownership; 3332-1-10 Tuition and fees; 3332-1-17.2; The ethical code of conduct for agents; 3332-1-24 Graduation and placement; 3332-1-26 Off-campus learning centers. The rules are being amended to incorporate changes and clarifications that were recommended during the administrative rule review process initiated pursuant to Ohio Revised Code section 119.032.

The purpose of this hearing is to permit public comment on the rules amended, adopted, and/or rescinded pursuant to R.C. Chapter 119. Testimony should focus on the rules as they are proposed. In lieu of appearing at the hearing, witnesses may also submit written testimony prior to the start of the hearing for inclusion into the record. For more information regarding the hearing or to receive copies of the proposed rule changes, please contact the Board offices.



Compliance Issues

By: Kimberly Stein, Investigator



We often get questions from school personnel about the Board's policy and rules regarding providing gifts or other consideration to students who have referred other students to the school. In general, student referral policies must be consistent with Ohio Revised Code (ORC) 3332.09(M) which prohibits "the practice of awarding monetary or other valuable considerations to students in exchange for procuring the enrollment of others."

In an effort to further clarify the definition of "other valuable considerations" as used in ORC 3332.09(M), the Board adopted a resolution in September, 2006 stating essentially that the Board would apply a definition of "other valuable considerations" to be consistent with the federal (USDOE) regulations that govern "token gifts". The federal regulations (34 CFR 668.14(b)(22)(ii)(H)) permit schools to award non-cash gifts to students provided that (1) the value is \$100 or less; and, (2) no more than one gift is provided annually to an individual. (The cost basis of a token non cash gift is what the school paid for it. The value is the fair market value of the item.) Thus, any student referral program used by a school must be consistent with these policies.

If your school plans to enact a student referral program, it is also important that the school develop a written policy regarding the student referral program that clearly defines who is eligible and what type of non-cash gifts are provided. If you have specific questions regarding student referrals, please feel free to contact John Ware or Kim Stein at the Board office.



Ohio College Opportunity Grant -- Update

By: John Ware

As you are no doubt already aware, the legislative changes to the student eligibility provisions for the Ohio College Opportunity Grant (OCOG, formerly the Ohio Instructional Grant (OIG)) essentially will require that proprietary schools receive a certificate of authorization from the Board of Regents in order to remain eligible for OCOG funding for new students beginning July 1, 2008. Thus, students first enrolled in an undergraduate program in your school after the July 1, 2008 will only be eligible to receive OCOG funding if your school has received a certificate of authorization from the Ohio Board of Regents. Certificates of authorization issued by the Board of Regents are program and site specific.

The Ohio Board of Regents in consultation with the Career College Steering Committee developed a question and answer document that addressed a number of questions and concerns about the Board of Regents certificate of authorization process. The document was distributed in October to all Ohio degree granting schools. The document states that the deadline for submission of a completed certificate of authorization proposal is **March 15, 2008**. However, I would strongly encourage to submit your application earlier (ideally by December 31, 2007) in order to assure that your school is approved in time for students who are enrolling in summer/fall 2008 academic terms.

Please be advised that regardless of whether your school receives a certificate of authorization from the Ohio Board of Regents, all proprietary schools will be required to maintain their certificate of registration and program authorization with the State Board of Career Colleges and Schools pursuant to the requirements of Ohio Revised Code Chapter 3332.

For more information about the certificate of authorization process, please visit the Board of Regents web site.

Career Colleges Release Economic Impact Study

The Career College Association has released a new economic-impact study that says the nation's 2,700 for-profit career colleges directly contribute more than \$18-billion annually to the American economy. The report, released in July, also asserts that, on average, students' investments in career-college educations pay returns of more than 31 percent annually, based on the higher wages they will earn in their lifetimes. Compared with the wages earned by workers with only a high-school diploma, career-college graduates make about \$9,230 a year more, or at least \$337,000 more over their lifetimes.

Enrollment at the 2,694 career colleges that participate in federal student-aid programs now tops 2.1 million (based on the total number of students who enroll over the course of a single academic year). It has grown by 17 percent annually since 2003-4. In the 2006 academic year, about 23 percent of the credentials awarded by the colleges were associate degrees, 9 percent were bachelor's, 7 percent were master's, and 1 percent were professional or doctoral degrees. The rest — 61 percent — were certificates.

Altogether, the study estimates that career colleges employ the equivalent of 137,041 full-time staff and faculty members and pay about \$8-billion in salaries, based on a calculation derived from their collective revenues.

For free copies of the report, which includes state-by-state profiles of the sector, contact Kerry Turner, at the Imagine America Foundation (kerryt@career.org).



Renewal of Certificate of Registration

By: Ruth Myers, Assistant Director

Once we have received your application, you will be invoiced for the necessary fees. Schools who submit late applications will be subject to late fees or other disciplinary action in accordance with Section 3332.09 of the Ohio Revised Code.

Pursuant to Administrative Rule 3332-1-04.4, each school is required to submit a completed renewal application to the Board at least ninety (90) days prior to the expiration date of the school's current Certificate of Registration. On or before one-hundred twenty (120) days prior to the expiration of a school's Certificate of Registration, the office will send a certified letter to the school, notifying the school of the expiration date. The necessary forms (approximately 10-12 forms and instructions) are available on our web site at: www.scr.ohio.gov (Renewal of School Procedures and Forms).

Please be advised, that when you complete form PSR0015 (Renewal of Programs), you must list your current programs. These need to match your current Program Authorization. If program titles differ from those currently approved, you must submit a formal program name change request. In addition, if you have added new programs, you must have Board approval prior to offering the new programs. If you have dropped programs, you must inform the Board when the programs were dropped and if all students have been taught out.

Once we have received your application, you will be invoiced for the necessary fees. Schools who submit late applications will be subject to late fees or other disciplinary action in accordance with Section 3332.09 of the Ohio Revised Code. Some common problems with renewal applications include:

1. Enrollment agreements not in compliance with Rule 3332-1-09.
2. Programs listed are not identical to previously approved programs.
3. No gross tuition income listed on application.
4. No declaration regarding material assistance submitted.

On Page 5 of this Newsletter, schools scheduled for renewal at the January and March 2008 Board Meeting are listed. The Board will consider the renewal of these Certificates of Registration and Program Authorization during those Board Meetings.

Please feel free to contact me (614-466-7810) regarding any of the above items or for any other questions you may have pertaining to your school.

Renewal Certificate of Registration

In accordance with Ohio Administrative Rule 3332-1-044, the State Board of Career Colleges and Schools mailed renewal notices 120 days prior to expiration of the Certificates of Registration to the following schools:

January 2008 Board Meeting

Academy of Dental Assisting, Cincinnati
Alexandria School, Solon
Bradford School, Columbus
Columbus School of Medical Massage, Plain City
Galen College of Nursing, Cincinnati
John Robert Powers, Cincinnati
Kaplan College, Cincinnati
National College, Stow
National Personal Training Institute, Richmond Hts.
Premier Training of Excellence, Xenia
Raphael's School of Beauty Culture, Niles
Recording Workshop, Chillicothe
Academy of Dental Assisting, KY.
Daymar College, KY.

March 2008 Board Meeting

Active X Technologies, Columbus
Antonelli College, Cincinnati
Barbizon Midwest, Cincinnati
Barbizon Midwest, Dayton
Carnegie Institute of Integrative Medicine & Massotherapy
Dental Assistant Pro, Columbus
Dental Auxiliary Training Academy of SW Ohio, Fairfield
Drouhard National Jewelers' School, Mansfield
International College of Broadcasting, Dayton
IT Certification Institute, Youngstown
ITT Technical Institute, Warrensville Hts.
National College, Youngstown
Professional Bartending School, Beavercreek
Professional Skills Institute, Toledo
Shake Em Up Bartending School, Clayton
Stautzenberger College, Maumee
Stautzenberger College, Strongsville
Vatterott College, Broadview Hts.
Wines, Steins, and Cocktails, Canton
High Tech Institute, GA.
Michigan Institute of Aeronautics, MI.
Universal Technical Institute, Motorcycle Mechanics Institute
Universal Technical Institute, Motorcycle & Marine Mechanic
Universal Technical Institute, IL.
Universal Technical Institute, AZ.
Universal Technical Institute, TX.
Wyotech, MA.



These schools are required to submit their completed application to the Board Office at *least ninety days prior to the expiration date*. **The Board will consider the renewal of these Certificates of Registration and Program Authorization during the January and March Board Meetings.**

Reauthorization of Higher Education Act—Update

Excerpted from Chronicle of Higher Education Articles

The U.S. House of Representatives education committee unanimously approved sweeping legislation last month that would create a plethora of new grant programs for colleges and students while holding institutions accountable for skyrocketing tuition.

The 747-page bill to reauthorize the Higher Education Act would impose dozens of new reporting requirements on colleges, requiring institutions to disclose everything from their transfer-of-credit policies to the details of their arrangements with lenders.

It would also require colleges to crack down on illegal downloading and soften some of the restrictions on the receipt of federal aid by for-profit institutions.

Much of the bill's size can be attributed to the huge number of new grant programs it would create. Some three dozen new programs are sprinkled throughout the bill, according to a preliminary analysis by the American Council on Education. They include a loan program for institutions affected by natural disasters and a grant program to encourage the training of closed-captioning writers. The bill also contains at least 176 new reporting and regulatory requirements, according to another ACE analysis.

The Senate passed its version of the reauthorization bill in August. After the House floor vote, expected in mid-December, the two chambers will meet to reconcile their versions of the legislation.

The two bills have much in common, including provisions to add disclosure and other requirements for colleges that offer "preferred lender" lists to students and to prohibit some inducements that lenders offer to institutions.

Both bills would also require institutions to disclose their policies on the transfer of credit, and both would make it easier for for-profit institutions to comply with a section of the law known as the "90-10 rule," which requires colleges to receive at least 10 percent of their revenue from sources other than federal student aid to participate in federal programs. The proposed bills would offer the institutions new ways to meet the 10-percent threshold.

Among the other measures the committee adopted were two proposals that would limit Pell Grant eligibility. One, by Rep. David Davis, a Republican from Tennessee, would limit the amount of time students are eligible for Pell Grants to 18 semesters or 27 quarters. Another amendment, by Representative Keller, would bar individuals who are involuntarily committed for violent sexual offenses from receiving Pell Grants.

The committee also approved a proposal by Rep. Virginia Foxx, a Republican from North Carolina, that would prohibit the Education Department from creating a "unit record" database. Such a system, a controversial idea that has been pushed by the department, would use students' Social Security numbers or other identifiers to track them over the course of their college careers.

Other amendments that the education committee approved included an amendment by Rep. Raúl M. Grijalva, a Democrat from Arizona, that would change the way the Education Department calculates default rates for a cohort of students, basing the rates on the three years, rather than the current two years, after a cohort enters repayment. Recent reports by Education Sector and other higher-education policy groups suggest that the existing calculation underestimates student-loan default rates.

Important Dates

2008 Board Meetings:

January 30, 2008

March 26, 2008

May 28, 2008

July 30, 2008

September 24, 2008

November 19, 2008

2008 1st-Half Agent Billing:

Mail Date: January 2, 2008

Due Date: February 4, 2008

2008 Director Training:

April 10, 2008

June 19, 2008

2008 Consultant Meetings:

January 15, 2008

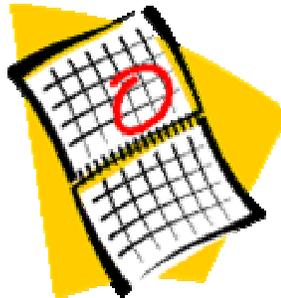
March 11, 2008

May 13, 2008

July 15, 2008

September 17, 2008

November 4, 2008



Winter

State Board News

- On August 5, 2007, Sandy Wilk, Director of Kaplan Career Institute, died suddenly in an automobile accident. Sandy was an active participant in the proprietary school industry for over twenty-five years and her contributions to the Board and the industry will be missed. Our thoughts and prayers go out to her family, friends, and her colleagues at Kaplan Career Institute.
- The State Library of Ohio is promoting a product called **Learning Express Library**. It's an online product that features practice tests for college entrance exams, military entrance exams, some career entrance and licensing tests for careers such as EMS, Firefighter, Police, Cosmetology and Spanish language tests. To learn more about Learning Express Library, please check out The State Library of Ohio's website at: <http://winslo.state.oh.us/>

State Board of Career Colleges and Schools

35 E. Gay Street, Suite 403
Columbus, OH 43215

Phone: 614-466-2752

Fax: 614-466-2219

Email: bpsr@scr.state.oh.us

www.scr.ohio.gov/



We're on the web:

www.scr.ohio.gov

Staff Phone Numbers and Email Addresses

John Ware, Executive Director, 614-466-7802, John.Ware@scr.state.oh.us

Ruth Myers, Assistant Director, 614-466-7810, Ruth.Myers@scr.state.oh.us

Kimberly Stein, Investigator, 614-466-7861, Kimberly.Stein@scr.state.oh.us

Laura Essman, Executive Secretary, 614-466-7833, Laura.Essman@scr.state.oh.us

Dr. Harold Brown, Curriculum Consultant, 614-466-7634