BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY • GAVIN NEWSOM, GOVERNOR

DEPARTMENT OF CONSUMER AFFAIRS • BUREAU FOR PRIVATE POSTSECONDARY EDUCATION
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Advisory Committee Meeting Minutes
Wednesday, May 28, 2025

WebEx Meeting

Advisory Committee Members in Attendance

Robert Boykin

Melanie Delgado

Leigh Ferrin

Robyn Smith

Tracy Tambascia

Michael Zimmerman

Kevin Powers

Committee Members Absent

Kansen Chu

Joseph Holt

Tess Kraiker

Senator Angelique Ashby

Bureau for Private Postsecondary Education (Bureau) and Department of Consumer Affairs (DCA) Staff in Attendance

Deborah Cochrane, Bureau Chief

Linh Nguyen, DCA Legal Counsel

Elizabeth Elias, Deputy Bureau Chief

Manila Vongmany, Deputy Bureau Chief

Greg Donkerbrook, Bureau Licensing Chief

Daniel Rangel, Bureau Enforcement Chief

Ebony Santee, Bureau Education Administrator

Yvette Johnson, Bureau Administration Chief

Erik Casida, Bureau Compliance Chief

Renee Walters, Bureau Discipline Manager

Brian Vest, Office of Student Assistance and Relief Manager

Parker Strohmeyer, Bureau Legislative/Regulation Specialist

Ryan Tacher, DCA Legislative Affairs

Nicole Dragoo, DCA Budges Manager

Agenda #1 - Welcome, Introductions, and Establishment of a Quorum

Committee Chair, Leigh Ferrin, called the meeting to order.

Agenda #2 - Public Comment on Items not on the Agenda

No public comment.

Agenda #3 - Review and Approval of February 26, 2025, Advisory Committee Meeting Minutes

Michael Zimmerman moved to approve the February 26, 2025, meeting minutes; Robyn Smith seconded the motion.

Public Comment

No public comment.

Vote

(Leigh Ferrin: Aye; Tracy Tambascia: Aye; Melanie Delgado: Aye; Robyn Smith: Aye; Michael Zimmerman: Aye; Robert Boykin: Aye)

The motion passed.

Agenda #4 - Remarks by Representative of the Department of Consumer Affairs

Ryan Tacher, DCA Legislative Affairs, provided an update on the Department of Consumer Affairs.

Public Comment

No public comment.

Agenda #5 – Bureau Operations Update and Discussion

Update on the Bureau's IT System Project

Deborah Cochrane, Bureau Chief, provided an update on the Bureau's IT system project. She reported that the Bureau is weeks away from adopting the new IT system. She explained that

Office of Information Systems and DCA staff have been working to ensure that the new system is ready technically, historical data is ready to be converted, and staff have the tools and job aids needed to work effectively. She stated that the data conversion will occur in mid-June.

Ms. Cochrane continued that the Bureau is anticipating opening Connect to approved and registered institutions in August, which will allow institutions to review records, pay annual fees, submit STRF assessment reports. She added that, in the future, institutions will be able to submit all applications online. She explained that the staggered rollout of Connect will allow staff to become familiar with the system, before opening it up to institutions. She noted that more information will be provided to institutions about how to create and use Connect accounts in the coming months.

Public Comment

No public comment.

Licensing Report

Greg Donkerbrook, Bureau Licensing Chief, reported on the Licensing Unit. He outlined Attachment 5(b).

Public Comment

No public comment.

Quality of Education Report

Ebony Santee, Bureau Education Administrator, reported on the Quality of Education Unit (QEU). She outlined Attachment 5(c).

Public Comment

No public comment.

Compliance and Annual Report Update

Erik Casida, Bureau Compliance Chief, reported on the Annual Report Unit. He outlined Attachment 5(d).

Public Comment

No public comment.

Discipline Report

Renee Walters, Bureau Discipline Manager, reported on the Discipline Unit. She outlined Attachment 5(e).

Public Comment

No public comment.

Complaint and Investigation Report

Daniel Rangel, Bureau Investigations Chief, reported on the Complaint and Investigation Unit. He outlined Attachment 5(f).

Public Comment

No public comment.

Office of Student Assistance and Relief (OSAR) Report

Brian Vest, OSAR Manager, reported on the OSAR Unit. He outlined Attachment 5(g).

Public Comment

No public comment.

Student Tuition Recovery Fund (STRF) Report

Yvette Johnson, Bureau Administration Chief, provided a report on STRF. She covered Attachment 5(h).

Public Comment

No public comment.

Agenda Item #6 - Status Updates and Discussion on Regulatory Proposals

Parker Strohmeyer, Bureau Legislative/Regulation Specialist, provided a status update on Bureau regulatory matters. He outlined the Bureau Regulations Tracker in the meeting materials.

6a. Modified Text for Minimum Operating Standards – Refund Policies (California Education Code (CEC) section 94885(a)(4); Title 5, California Code of Regulations (5 CCR) sections 70000, 71746, 71750 and 71751)

Mr. Strohmeyer outlined the modified text for Minimum Operating Standards – Refund Policies provided in the meeting materials.

Ms. Smith asked if there would be a comment period for the modified text. Mr. Strohmeyer responded that there will be a 15-day public comment period, and an email alert will be sent out providing details on the comment period.

Public Comment

No public comment.

6b. Proposed Text for Catalog Requirements (CEC section 94909; 5 CCR 71810)

Mr. Strohmeyer outlined the proposed text for Catalog Requirements provided in the meeting materials.

Ms. Smith commented that she supports all the proposed changes. She noted the changes to student records are particularly helpful for students.

Mr. Zimmerman asked how the proposed regulations will affect institutions that serve primarily online students where there may not be a physical location nearby students. Mr. Strohmeyer responded that the statutory requirement needs a detailed description of an educational program, but the Bureau continues to examine distance education and hybrid programs.

Mr. Strohmeyer asked the Committee for input on the use of the word "normal" business hours as opposed to just business hours in the regulations. Mr. Zimmerman responded that normal business hours suggest a 9 to 5 timeframe. Ms. Tambascia stated that she thinks normal should be removed, and she would like to see more institutions have business hours outside of the 9 to 5 timeframe to accommodate more students.

Mr. Strohmeyer asked the Committee for input on the interchangeable use of the terms "policy" and "policies and procedures." Mr. Zimmerman stated that, from an institutional perspective, policy and procedures are two different terms that are not used interchangeably.

He noted that putting all internal procedures in the catalog would likely be too much information and could likely cause students to miss the important elements.

Mr. Strohmeyer asked the Committee for input regarding different locations. He mentioned different services being provided at different locations, and the location of internships and externships. Mr. Zimmerman stated the importance of clearly explaining externships on a per-location basis. He also mentioned the importance of including business hours and what records and services are available at different locations. Ms. Tambascia noted that, while disclosure should be required, it may not be practical to include externship or internship locations in the catalog because the locations may vary from year to year or term to term. Ms. Smith stated that if student records are located at a distant location, then there should be information on how to access a digital copy of student records or by some other method. She noted there should be some thought on how to address that issue in the catalog. She also stated that it's very helpful for students to understand how far away an internship or externship may be located.

Public Comment

One member of the public provided a comment.

Agenda #7 – May Revise Budget Update

Nicole Dragoo, DCA Budget Manager, provided an update on the Governor's May Revision, focusing on efforts to address the Bureau's structural deficit.

Ms. Dragoo reported that the Bureau has experienced a structural deficit, with expenditures exceeding revenues, for several years. She continued that the Bureau has relied on temporary financial measures to remain solvent. She stated that to identify potential long-term solutions, the Bureau previously contracted with the Foundation for California Community Colleges (FCCC), and that FCCC's recommendations were published in the January 2024 BPPE Funding Study. She continued, that in alignment with one of FCCC's recommendations, the Bureau submitted a May Revision proposal requesting trailer bill language to reallocate funding for the administration of STRF claims and OSAR from the Private Postsecondary Education Administration Fund to STRF, a shift of approximately $2.7 million.

Ms. Dragoo stated that the Bureau supports this proposal because the STRF fund's purpose aligns closely with the functions of these operational units, which are dedicated to supporting students. She noted that if approved, the reallocation would reduce the Bureau's shortfall enough to maintain solvency in the Administrative Fund through fiscal year 2026–27. She stated this would allow time for further discussions on long-term funding during the Bureau's upcoming sunset review process. She noted that the proposal was presented to the Legislature at the Senate Subcommittee 1 on Education hearing held on May 21, 2025, and is currently being held open for consideration.

<u>Public Comment</u>

One member of the public provided a comment.

<u>Agenda #8 – Presentation by the California Department of Financial Protection and Innovation on Registration Requirements for Providers of Postsecondary Education Financing</u>

Marchael Kelly, Department of Financial Protection and Innovation (DFPI), provided a presentation on the registration requirements for providers of postsecondary education. He covered the slides under Item 8 in the meeting materials.

Ms. Smith asked if there is a way to check if an institution has registered. Mr. Kelly responded that institutions with registrations and pending registrations can be found on the DFPI website by searching within regulated industries with the applicable laws filtered.

<u>Public Comment</u>

No public comment.

<u>Agenda #9 – Future Agenda Items</u>

No future agenda items were suggested.

<u>Public Comment</u>

No public comment.

<u>Agenda #10 – Adjournment</u>

The meeting adjourned at 11:35 am.