

MINUTES

BOARD OF TRUSTEES: TUITION GUARANTY TRUST FUND

January 25, 2016

1:30 P.M.

Nonpublic Postsecondary Education Commission

Pursuant to notice, the Quarterly meeting of the Board of Trustees of the Tuition Guaranty Trust Fund was held at 2082 East Exchange Place, Azalea Conference Room, Tucker, Georgia 30084.

MEMBERS PRESENT:	Martha Nesbitt, Chair	9 th Congressional District
	Clinton Hobbs, Vice Chair	AT LARGE
	Arthur Vaughn, Secretary	11 th Congressional District
	Deb Wade	4 th Congressional District
	Toby Hinton	7 th Congressional District
	Karen Gilbert	13 th Congressional District

MEMBERS ABSENT: None

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

VISITORS: No Visitors

1. CALL TO ORDER

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

2. APPROVAL OF MINUTES

Deb Wade made a motion to adopt the Minutes from the October 19, 2015, Quarterly Meeting of 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 Minutes from the October 19, 2015 Meeting of the Board of Trustees of the Tuition Guaranty Trust Fund be adopted.

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

Corinna M. Robinson, Executive Director reported the following:

- Fiscal Year 2016 Second Quarter Report ending December 31, 2015.
- Tuition Guaranty Trust Fund First Quarter Yearly Comparison Report.
- School Closures:

Westwood College (Alta Colleges is the parent company):

- a. NPEC was notified on November 12, 2015.
- b. Encompasses all Westwood Colleges nationwide.
- c. Initially authorized by NPEC in October 2003.
- d. Closure was reported to be unexpected when the major investors decided to discontinue further investments.
- e. Two campuses closing in Georgia; Atlanta (Peachtree Street) & Northlake area in Tucker.
- f. Approximately 700 students were attending the school at the time the closure was announced.
- g. NPEC's financial viability assessment was made prior to announcement and school maintained reliable status with asset to liability ratio.
- h. Teach-out plan has been implemented as well as transferring students to other colleges which offer like programs.
- i. Both campuses will remain open to March 31, 2016 and are currently authorized by NPEC through that date.

Le Cordon Bleu College of Culinary Arts (Career Education Corporation is the parent company):

- a. NPEC was notified on December 16, 2015.
- b. Initially authorized by NPEC, June 2003.
- c. All campuses closing nationwide.
- d. One campus in Georgia; located off of Northlake Pkwy in Tucker enrolls approximately 1150 students.
- e. Teach-out plan has been submitted and Le Cordon Bleu proposes to remain open until September 29, 2017, while all currently enrolled students complete their program(s) of study.

Chair Nesbitt asked Executive Director Corinna Robinson, "Since both schools have provided a teach-out plan, does this mean there should be minimal payouts from the Tuition Guaranty Trust Fund?"

Executive Director Corinna Robinson responded, "NPEC is not expecting too much of a hit from these school closures. NPEC will assume the student records and that's where NPEC expects to see some minor administrative cost involved."

Executive Director Corinna Robinson extended further comments to Deputy Director Dr. Carl Camann. Deputy Director Camann added that because of Westwood's financial stability, NPEC expects Westwood to be able to take care of any student claims that come in, including students who are not able to transfer to another school and under Georgia's code, that student is due a refund. Le Cordon Bleu plans for a complete teach-out.

NPEC expects minimal payout from the Tuition Guaranty Trust Fund, for these school closures.

Toby Hinton made a motion to adopt the Quarterly Report of the Tuition Guaranty Trust Fund for the six-month period ending December 31, 2015. The motion was seconded by Clinton Hobbs.

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 be adopted.

No further discussion.

Karen Gilbert made a motion to adjourn the meeting. The motion was seconded by Deb Wade.

There being no further business, the meeting adjourned at 1:40 p.m.

Martha Nesbitt, Chair
Arthur Vaughn, Secretary