

# Agenda Item #13.B.1.



BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY • GOVERNOR EDMUND G. BROWN JR.

**BOARD OF VOCATIONAL NURSING & PSYCHIATRIC TECHNICIANS**  
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DATE: February 13, 2014

TO: Board Members

FROM:   
Pam Hinckley, R.N., M.S.N.  
Nursing Education Consultant

SUBJECT: Career Colleges of America Vocational Nursing Program – Consideration of Inadequate Program Resources (Director: Vacant, Los Angeles, Los Angeles County, Private)

On November 14, 2013, the Board received electronic correspondence from Ron Shcaechter, Chief Executive Officer (CEO) of Career Colleges of America, indicating that the school “has stopped offering the vocational nursing program.” The NEC sent electronic correspondence to Mr. Schaechter requesting clarification of the school’s intent relative to the future of the program.

On January 10, 2014, Ron Schaechter emailed the NEC and requested information on what the program would need to do should they decide to offer the Vocational Nursing Program again in the future. The NEC advised Mr. Schaechter the program would need to get a Board - approved director and the director would need to complete and submit the program records survey which was due to the Board on June 3, 2013.

## History of Prior Board Actions

(See Attachment A, History of Prior Board Actions)

## Enrollment

The Career Colleges of America, Los Angeles, Vocational Nursing Program has approval for an ongoing admission pattern of two (2) full-time classes of 60 students per year. The school has failed to provide current enrollment data for the program.

ENROLLMENT DATA				
CLASS DATES		#Students Admitted	#Students Current or Completed	Total Enrolled
Start	Complete			
8/12		Unknown	17 (Eff. 3/2013)	17
	9/13		-17	17 - 17 = 0

## Licensing Examination Statistics

The following statistics, furnished by Pearson VUE and published by the National Council of State Boards of Nursing as "Jurisdictional Summary of All First-Time Candidates Educated in Member Board Jurisdiction" for the period April 2007 through December 2013, specify the pass percentage rates for graduates of the Career Colleges of America, Los Angeles, Vocational Nursing Program on the National Council Licensure Examination for Practical/Vocational Nurses (NCLEX-PN®).

NCLEX-PN® Licensure Examination Data							
Quarterly Statistics					Annual Statistics*		
Quarter	# Candidates	# Passed	% Passed	State Average Quarterly Pass Rate	Program Average Annual Pass Rate	State Average Annual Pass Rate [CCR §2530(l)]	Variance from State Average Annual Pass Rate
Jul-Sep 2007	6	5	83%	76%	81%	76%	+5
Oct-Dec 2007	10	8	80%	76%	83%	76%	+7
Jan-Mar 2008	8	6	75%	75%	81%	75%	+6
Apr-Jun 2008	<b>No Candidates Tested</b>			70%	79%	74%	+5
July-Sep 2008	10	7	70%	74%	75%	74%	+1
Oct-Dec 2008	8	5	63%	73%	69%	73%	-4
Jan-Mar 2009	6	5	83%	70%	71%	72%	-1
Apr-June 2009	11	6	<b>55%</b>	71%	66%	70%	-4
Jul – Sep 2009	16	14	88%	74%	73%	72%	+1
Oct – Dec 2009	22	17	77%	74%	76%	72%	+4
Jan – Mar 2010	11	8	73%	76%	75%	74%	+1
Apr – Jun 2010	6	3	<b>50%</b>	74%	76%	75%	+1
Jul – Sep 2010	20	10	<b>50%</b>	75%	<b>64%</b>	75%	<b>-11</b>
Oct – Dec 2010	15	10	<b>67%</b>	77%	<b>60%</b>	76%	<b>-16</b>
Jan – Mar 2011	17	11	65%	80%	<b>59%</b>	77%	<b>-18</b>
Apr – Jun 2011	20	11	<b>55%</b>	71%	<b>58%</b>	76%	<b>-17</b>
Jul – Sep 2011	7	5	71%	74%	<b>63%</b>	75%	<b>-12</b>
Oct – Dec 2011	11	6	<b>55%</b>	74%	<b>60%</b>	75%	<b>-15</b>
Jan – Mar 2012	18	12	67%	77%	<b>61%</b>	74%	<b>-13</b>
Apr – Jun 2012	18	14	78%	72%	69%	74%	-5
Jul – Sep 2012	21	17	81%	74%	72%	74%	-2
Oct – Dec 2012	8	6	75%	70%	75%	74%	+1
Jan – Mar 2013	6	4	67%	75%	77%	73%	+4
Apr – Jun 2013	5	5	100%	78%	80%	73%	+7
Jul – Sep 2013	15	10	67%	75%	74%	74%	0
Oct – Dec 2013	10	5	<b>50%</b>	76%	67%	76%	-5

\*The Annual Pass Rate changes every quarter. It is calculated by dividing the number of candidates who passed during the current and previous three-quarters by the number of candidates who tested during the same period. If no data is available for the relevant period, the statistic is carried over from the last quarter for which data is available.

### California Code of Regulations Section 2530(l) states:

“The program shall maintain a yearly average minimum pass rate on the licensure examination that does not fall below 10 percentage points of the state average pass rate for first time candidates of approved vocational nursing schools for the same period.”

Based on the most recent data available (October through December 2013), the program's average annual pass rate is 67%. The California average annual pass rate for graduates from approved vocational nursing programs who took the NCLEX-PN® Licensure Examination for the first time during the same period is 76%. The average annual pass rate for the Career Colleges of America, Los Angeles, Vocational Nursing Program is five (5) percentage points **below** the state average annual pass rate.

### **Faculty and Facilities**

Section 2534(d) of the Vocational Nursing Rules and Regulations states:

“For supervision of clinical experience, there shall be a maximum of 15 students for each instructor.”

The number of Board-approved faculty totals eleven (11). However, it is noted that the Board has requested information related to the current number of faculty; **to date this information has not been received.**

Section 2534(b) of the Vocational Nursing Rules and Regulations states, in part:

“Schools shall have clinical facilities adequate as to number, type, and variety of patients treated, to provide clinical experience for all students in the areas specified by Section 2533. There must be available for student assignment, an adequate daily census of patients to afford a variety of clinical experiences consistent with competency-based objectives and theory being taught.”

Board records substantiate approval of adequate clinical facilities to afford the number, type, and variety of patients to provide clinical experience consistent with competency-based objectives and theory in the Board – approved curriculum. However, it is noted that the Board has requested information related to the number and appropriateness of the school's facilities; **to date this information has not been received.**

At this point, Board staff cannot confirm the adequacy of faculty or facilities to continue this program.

### **Other Considerations**

On August 17, 2005, the Board approved **initial accreditation** of the Career Colleges of America, Los Angeles, Vocational Nursing Program for the period **September 16, 2005 through September 15, 2009**. Additionally, the Board approved ongoing admissions of 60 students to **replace** graduating classes, only, with the following stipulations:

- a. No additional classes are added to the program's current pattern of admissions without prior Board approval. The program's current pattern of admissions includes admission of a full – time class every six (6) months; and,
- b. The director documents that adequate resources, i.e. faculty and facilities, are available to support each admitted class of students.

On December 12, 2007, the Board approved the program's request to admit 60 full time evening students revised pattern of admissions to **replace** graduating classes, only, with the following stipulations:

- No additional classes are added to the program's current pattern of admissions without prior Board approval. The program's pattern of admissions includes four (4) full – time classes admitted consecutively at the time of graduation of the prior class (no more than four (4) full – time classes running at a time).
- The director documents that adequate resources, i.e. faculty and facilities, are available to support each admitted class of students.

On October 8, 2009, the Board approved **continued full accreditation** of the program for the period **September 16, 2009 through September 15, 2013**. That decision continued approval of the program's ongoing admission pattern.

On March 11, 2013, the NEC forwarded correspondence to the program director relative to the program's status. Due to the unsubstantiated termination of the director, the NEC sent documents to the Assistant Director of Nursing (ADON), Dorren Tan, relative to continued program approval. Submission of the completed documents including the program's application for continued approval were requested by June 3, 2013.

On March 12, 2013, the assistant director submitted an electronic communication querying if she needed to complete the program records survey since a class of 17 students were the only enrolled students in the program. The ADON was advised by the NEC that these documents must be completed and returned to the Board by the due date. **The documents were never received.** Additionally, the NEC advised the ADON to submit a plan to hire a director. **This plan was never received.**

On March 15, 2013, the ADON advised the NEC that the CEO, Ron Schaechter was interviewing potential directors and should have a final decision **within two (2) weeks**.

On April 17, 2013, the NEC sent an electronic communication to the ADON relevant to the status of hiring a program director. The ADON responded that she would check with Mr. Schaechter. To date, the ADON has failed to provide the requested information.

On May 7, 2013, a letter of violation was sent to the program CEO, Ron Schaechter related to the program's failure to obtain a current program director (see Attachment B).

**On July 2, 2013, a new program director was approved by the Board.**

On July 23, 2013, the NEC sent the director the program records survey and related documents that would be due to the Board September 6, 2013. Additionally, the director was advised that these documents had been sent to the ADON previously and the Board did not receive the completed documents. **To date, these documents have not been received from the director.**

On October 31, 2013, the NEC contacted the school and the receptionist relayed information that no vocational students were enrolled in classes and **no vocational nursing**

**faculty were employed with the school.** The NEC telephoned the director of record, Joan King, at home. Ms. King said that the students graduated in September 2013 and she was no longer employed at Career Colleges of America, Los Angeles. The NEC requested information about the status of the program records survey that neither the ADON nor she had submitted. The director indicated that since the program was closing, she never completed the program records survey.

On November 5th and 6<sup>th</sup>, 2013 the NEC left messages for Ron Schaechter, Chief Executive Officer (CEO), to contact the NEC related to the school's status.

On November 14, 2013, the Board received electronic correspondence from Ron Shcaechter, CEO, of Career Colleges of America, indicating that the school "has stopped offering the vocational nursing program" (see Attachment C). The NEC contacted the school to request information relative to their intent.

On January 10, 2014, Ron Schaechter emailed the NEC and requested information on what the program would need to do should they decide to offer the Vocational Nursing Program again in the future. The NEC advised Mr. Schaechter the program would need to get a Board approved director and the director would need to complete and submit the program records survey which was due to the Board June 3, 2013, verify adequate staff and clinical facilities. Mr. Schaechter was advised the program's approval expired September 15, 2013.

On January 28, 2014, the Board received information stating that Career Colleges of America, San Bernardino, South Gate, and Los Angeles, had ceased offering all classes at all campuses (see Attachment D). Research into the status of the program substantiated that the Accrediting Council for Continuing Education and Training (ACCET) had withdrawn all Career Colleges of America's accreditation effective January 9, 2014 (see Attachment E). The Bureau for Private Postsecondary Education (Bureau) was contacted and the school's closure was verified. The Bureau Chief provided a copy of correspondence, dated January 24, 2014, issued by Career Colleges of America to enrolled students addressing the cessation of classes and a teach – out. (See Attachment F).

Additional information provided by the Bureau confirmed that Career Colleges of America, Los Angeles, was approved by the Bureau by means of accreditation. Therefore, once the program lost their accreditation by ACCET, they also lost their Bureau approval to operate. (See Attachment G)

Based on information received, the following violations of the California Code of Regulations were identified:

**Section 2527 (a) of the Vocational Nursing Rules and Regulations states:**

**"The Board shall require such reports by schools and conduct such investigations as necessary to determine whether or not accreditation will be continued."**

**Violation #1:** Board records substantiate that the program has failed to comply with requests for information on several occasions. Specifically, the program's continued approval documents were sent to the

ADON on March 11, 2013 and again to the new Director on July 23, 2013. To date these documents have not been received.

Additionally, the ADON was required to submit an action plan identifying the program's plan to obtain a Board approved director, to date this action plan has not been received. On March 15, 2013, the NEC contacted the ADON related to the program's status of hiring a director. The ADON indicated the CEO, Ron Schaechter, was interviewing candidates now and would make a decision within two (2) weeks. As of May 7, 2013 a director was still not hired. A notice of violation was sent to the program.

**Plan of Correction #1:** This violation has been **not been** corrected. To date the Program Records Survey and related documents have not been received by the Board. Additionally, the plan to obtain a Board approved director was never received; however, a director was hired and Board approved on July 2, 2013.

**Section 2527(b) of the Vocational Nursing Rules and Regulations states:**

**“A school shall report to the Board within ten days of the termination of a faculty member.”**

**Violation #2:** The program failed to notify the Board of the termination of eleven (11) faculty members within the ten (10) days as required by existing regulations.

**Plan of Correction #2:** This violation is **not corrected**.

**Section 2529(b) of the Vocational Nursing Rules and Regulations states:**

**“Each vocational nursing program shall have one faculty member, designated as director who meets the requirements of subsection (c)(1) herein, who shall actively administer the program. The director is responsible for compliance with all regulations in Chapter 1, Article 5 (commencing with Section 2525 et seq.)”**

**Violation #3:** Submitted information confirms the program was without a director from at least March 2012 through July 1, 2013. As such, the program was without a director for sixteen (16) months during which students were enrolled.

**Plan of Correction #3:** This violation is **corrected**. The violation was corrected on July 2, 2013 when a new director was approved by the Board.

**Section 2530 (a) of the Vocational Nursing Rules and Regulations states:**

**“The program shall have sufficient resources, faculty, clinical facilities, library, staff and support services, physical space, skills laboratory and equipment to achieve the program’s objectives”.**

**Violation #4:** The program failed to provide information related to the number of employed staff and clinical facilities being utilized by the program.

**Plan of Correction #4:** This violation has **not been corrected**. To date, reports have not been submitted.

**Recommendation:**

1. Place the Career Colleges of America, Los Angeles, Vocational Nursing Program on provisional approval for a three (3) month period from February 28, 2014, through May 31, 2014 and issue a notice identifying specific areas of noncompliance and requirements for correction as referenced in Section 2526.1 (e) of the California Code of Regulations (see Attachment H).
2. Require the program to obtain a Board – approved program director and faculty and submit the previously requested required reports.
3. Require the program to admit no additional classes without prior approval by the full Board.
4. Failure to take any of these corrective actions may cause the full Board to revoke the program’s approval.
5. Place the program on the **May 2014** Board agenda for reconsideration of provisional approval.

**Rationale:** The program has had a significant history of unresponsiveness to Board communication, as evidenced above. After multiple contacts to the school, on November 14, 2013, the NEC was able to communicate with the CEO, Ron Schaechter, of Career Colleges of America, Los Angeles campus. Mr. Schaechter advised the NEC that the school has closed the Vocational Nursing Program. He advised the NEC no students are currently enrolled in classes.

Subsequent to the communication above, the Board became aware of actions taken by ACCET revoking the school’s accreditation, effective January 9, 2014. Additionally, the Board learned that the school’s approval by the Bureau was predicated on the program’s accreditation. As a result of ACCET’s decision, the Bureau revoked its approval of the school to operate.

In addition, after ACCET’s letter revoking the school’s accreditation, Mr. Schaechter, CEO, of Career Colleges of America, Los Angeles, contacted the NEC related to what information he would need to submit to start his program again. Given the foregoing, it is prudent to place the program on provisional approval and schedule reconsideration for the May 2014 Board agenda.

Attachment A: History of Prior Board Actions  
Attachment B: Board Communication Dated May 7, 2013  
Attachment C: Program Electronic Correspondence Dated November 14, 2013  
Attachment D: Newspaper Article Dated January 27, 2014; Received January 28, 2014  
Attachment E: Letter Issued by ACCET Dated January 9, 2014  
Attachment F: Program Correspondence Dated January 24, 2014  
Attachment G: Bureau of Private Postsecondary Education Website Information  
Attachment H: Draft Notice of Change in Approval Status

# Agenda Item #13.B.1., Attachment A

## CAREER COLLEGES OF AMERICA VOCATIONAL NURSING PROGRAM

### History of Prior Board Actions

- On September 10, 2004, the Board approved Career Colleges of America, Southgate, Vocational Nursing Program's request to begin a vocational nursing program at a second site in Los Angeles, California with an initial class of 60 students commencing on November 8, 2004, with a projected graduation date of January 13, 2006.
- On November 1, 2004, the director notified the Board that the start date had been changed to November 15, 2004.
- On August 17, 2005, the Board approved initial full accreditation for Career Colleges of America, Los Angeles, Vocational Nursing Program for the period September 16, 2005, through September 15, 2009, and issued a certificate accordingly.

The Board approved the program's request to admit 60 students starting February 6, 2006, to replace the class graduating on January 13, 2006.

The Board approved the program's request to admit 60 students into the full-time class starting September 26, 2005, with a projected graduation date of November 30, 2006, thereby increasing frequency of admissions.

The Board approved ongoing admissions to replace graduating classes, only, for the Career Colleges of America, Los Angeles, Vocational Nursing Program with the following stipulations:

- a. No additional classes are added to the program's current pattern of admissions without prior Board approval. The program's current pattern of admissions includes class admissions every six months.
  - b. The director documents that adequate resources, i.e. faculty and facilities, are available to support each admitted class of students.
- **A new director was hired on April 6, 2006.**
  - On December 7, 2006, the Board approved the Career Colleges of America, Los Angeles, Vocational Nursing Program's admission of 41 students into a full-time class that started on May 22, 2006, and made the effective date of the approval retroactive to May 22, 2006. This class will graduate August 2, 2007.

The Executive Officer rescinded the approval for ongoing admissions that was given in August 2005 and required that the director come before the Board to request prior approval for admission of each class.

The Executive Officer approved admission of a class of 60 students to begin January 8, 2007 only. This class replaced the October 2005 class that graduated December 2006.

- On March 1, 2007, the Board approved the Career Colleges of America, Los Angeles, Vocational Nursing Program's admission of 60 students into a full-time class on April 30, 2007, only, to replace students who will graduate April 12, 2007. The proposed class will graduate July 31, 2008.
- On June 5, 2007, the Board approved the Career Colleges of America, Los Angeles, Vocational Nursing Program's request for ongoing admissions to replace graduating classes, only, with the following stipulations:
  - a. No additional classes are added to the program's current pattern of admissions without prior Board approval. The program's current pattern of admissions includes three full-time classes admitted consecutively at the time of graduation of the prior class (no more than 3 full-time classes running at a time).
  - b. The director documents that adequate resources, i.e. faculty and facilities, are available to support each admitted class of students.
- On December 12, 2007, the Board approved the Career Colleges of America, Los Angeles, Vocational Nursing Program's request to admit 60 students into a full-time evening class on January 28, 2008. The proposed class will graduate April 30, 2009.

The Board approved the program's request for ongoing admissions to **replace** graduating classes, only, with the following stipulations:

- a. No additional classes are added to the program's current pattern of admissions without prior Board approval. The program's pattern of admissions will include four full-time classes admitted consecutively at the time of graduation of the prior class (no more than 4 full-time classes running at a time).
  - b. The director documents that adequate resources, i.e. faculty and facilities, are available to support each admitted class of students.
- On October 8, 2009, the Executive Officer approved continued full accreditation for the Career Colleges of America, Los Angeles, Vocational Nursing Program for the period September 16, 2009 through September 15, 2013, and issued a certificate accordingly.
  - On November 14, 2013, the Board received electronic correspondence from Ron Shcaechter, Chief Executive Officer (CEO), stating that "Career Colleges of America, Los Angeles Campus, has stopped offering the Vocational Nursing Program."

# Agenda Item #13.B.1., Attachment B



STATE AND CONSUMER SERVICES AGENCY • GOVERNOR EDMUND G. BROWN JR.  
**BOARD OF VOCATIONAL NURSING & PSYCHIATRIC TECHNICIANS**  
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## CERTIFIED MAIL

May 7, 2013

Ron Schaechter  
Career Colleges of America  
1801 South La Cienga Boulevard  
Los Angeles, CA 90035

**Subject: Vocational Nursing Program  
Status; Notice of Violation**

Dear Mr. Schaechter:

The Board of Vocational Nursing and Psychiatric Technicians (Board) received information the program director terminated Career Colleges of America Vocational Nursing Program on May 31, 2012. Since that time the Board has not received an application requesting approval of new director. As a result, Board records confirm that the program has been without a director in excess of eleven (11) months. As such, the program is in violation of the California Rules and Regulations 2529(b) which states:

"Each vocational nursing program shall have one faculty member, designated as director who meets the requirements of subsection (c) (1) herein, who shall actively administer the program. ..."

On March 8, 2013, the Nursing Education Consultant (NEC) contacted the Assistant Director, Doreen Tan, requesting a projected timeline identifying the plan to hire a permanent program director.

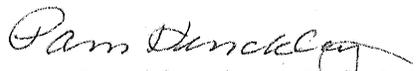
On March 15, 2013, the Assistant Director responded that a program director's application would be submitted to the Board for approval by April 15, 2013. To date, no application for program director has been received by the Board.

The Board has serious concerns relative to the program's administration. Based on the program's continued noncompliance with the California Rules and Regulations, the Board requires the program to submit an application and required documents to the Board for a Board approved program director that meets the regulatory standards identified in the California Rules and Regulations Section 2529(c)(1) no later than **Friday, May 17, 2013.**

Failure to bring your program into compliance with the California Rules and Regulations may result in the program being placed on the September 2013 Board Agenda.

Should further information be needed, please feel free to contact me at (916) 263-7839.

Sincerely,

  
Pam Hinckley, R.N., M.S.N.  
Nursing Education Consultant

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**Ron Schaechter**  
Postmark Here

Sent To **Career Colleges of America**  
Street, Apt. No., or PO Box No. **1801 S. La Cienega Blvd**  
City, State, ZIP+4 **LA 90035**

PS Form 3811, August 2005 See Reverse for Instructions

2260 2440 E000 0101 2102

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:  
**Ron Schaechter**  
**Career Colleges of America**  
**1801 South La Cienega Blvd**  
**Los Angeles, CA**  
**90035**

2. Article Number- **7012 1010 0003 0447 0972**  
(Transfer from service label)

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A. Signature  Agent  Addressee  
**X** *[Signature]*

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 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes

## Agenda Item #13.B.1., Attachment C

**Hinckley, Pam@DCA**

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**From:** Ron Schaechter <RonS@careercolleges.edu>  
**Sent:** Thursday, November 14, 2013 12:22 PM  
**To:** Hinckley, Pam@DCA  
**Subject:** CCA VN Program Status

As per our conversation, this is to inform you that Career Colleges of America, Los Angeles Campus, has stopped offering the Vocational Nursing Program.

Thank you

Ron Schaechter  
Career Colleges of America  
1801 S. La Cienega Blvd. Suite 515  
Los Angeles, CA 90035  
310.287.9901

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**Confidentiality Notice:**

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# Agenda Item #13.B.1., Attachment D

<http://www.dailynews.com/article/20140127/NEWS/140129515>

## Career Colleges of America officially closes

By Neil Nisperos, Inland Valley Daily Bulletin  
Monday, January 27, 2014

DailyNews.com

SAN BERNARDINO >> A local trade school that had ended classes because of apparent financial difficulties has closed, according to the agency in charge of overseeing it.

Students say they learned of the closure of Career Colleges of America, which taught a total of 800 students at campuses in San Bernardino, South Gate and Los Angeles, through a letter that only some of them received.

"CCA is officially ceasing all classes at all campuses," says the letter, dated Jan. 24. "As such the only option available is for our students to transfer to another college. In so doing we will try to help and you should seek to have the receiving school accept your earned credits and agree to charge you no more than you would owe to CCA to complete the program."

The California Bureau of Private Postsecondary Education, which provides private trade institutions with certificates to operate in California, said earlier this month that it was investigating money problems at the school and that a closure was likely.

Emily Ferguson of Crestline learned of the closure from a friend. She called the Bureau of Private Post Secondary Education, who confirmed the closure.

Ferguson said she was at the end of eight months of study in a 17-month surgical technology course when students learned of classes being canceled. American College of Healthcare, another trade school located in Riverside, offered to take on students from Career Colleges of America.

Ferguson is thankful for being able to transfer credits and attend school, but her 50-mile commute is now 100 miles round-trip and her graduation has been pushed from summer to fall.

"I think it's a really horrible situation and it's kind of a nightmare," she said. "I think the school hasn't handled it very well because this has been going on for a long time and they hid it from the students. All the students were put out. ... Now they have to go to a new school, and take classes all over again and pay more money to get their career going. It's just a really bad situation."

Students should call 888-370-7589 or visit [bppe.ca.gov](http://bppe.ca.gov) to see if they are eligible for the tuition recovery fund, said Cristina Valdivia, spokeswoman for the state Department of Consumer Affairs, which oversees the bureau.

"If a student who attended that school contacted the bureau, we can help them with the tuition," Valdivia said. "Tuition recovery fund is a program that helps the student get a refund back from the school, once the school has closed."

They might also be able to discharge federal loans, she said.

Teachers at the San Bernardino campus say they haven't been paid since November.

BVNPT Received EDU  
on 1/28/14 with JL

# Agenda Item #13.B.1., Attachment E



ACCREDITING COUNCIL FOR CONTINUING EDUCATION & TRAINING  
1722 N. Street, N.W., Washington, D.C. 20036  
Telephone: 202-955-1113 Fax: 202-955-1118  
<http://www.accet.org>

January 9, 2014

VIA EMAIL AND FEDERAL EXPRESS  
[avip@careercolleges.edu](mailto:avip@careercolleges.edu)

Ms. Avi Paladino, President  
Career Colleges of America  
5612 East Imperial Highway  
South Gate, CA 90290

*Re: Accreditation Withdrawn;  
School Closure; Effective January 9, 2014  
ACCET ID #948*

Dear Ms. Paladino:

This letter is written to serve as a formal notice of withdrawal of accreditation for Career Colleges of America by the Accrediting Council for Continuing Education & Training (ACCET), as a result of its cessation of operations on January 8, 2014. The precipitous closure of all locations of the college has placed its students in serious jeopardy of disrupting the educational objectives sought in their earlier enrollment. We are closely working with BPPE, the state licensing agency, and the U.S. Department of Education to mitigate some of the hardship pressed on your students.

The various agencies are copied on this notification along with the Executive Committee of the Accrediting Commission, which will be monitoring the unfolding events and the ultimate impact of efforts by the Career College of America's ownership/leadership on its students for review by the Commission at the April 2014 meeting.

Sincerely,

A handwritten signature in cursive script, appearing to read "William V. Larkin".

William V. Larkin, Ed.D.  
Executive Director

c: Ms. Kay Gilcher, Director, Accreditation Division, USDE ([aslrecordsmanager@ed.gov](mailto:aslrecordsmanager@ed.gov))  
Ms. Martina Fernandez-Rosario, Area Case Director, School Participation Team ([martina.fernandez-rosario@ed.gov](mailto:martina.fernandez-rosario@ed.gov))  
Mr. Ron Bennett, Director, School Eligibility Service Group, USDE ([ron.bennett@ed.gov](mailto:ron.bennett@ed.gov))  
Joanne Wenzel, Chief, California Bureau for Private Postsecondary Education ([joanne.wenzel@dca.ca.gov](mailto:joanne.wenzel@dca.ca.gov))  
USDE Accredited Schools Directory ([AccreditedSchoolsList@westat.com](mailto:AccreditedSchoolsList@westat.com))  
Kathleen Hochhalter, USDOE Administrative Actions and Appeals ([kathleen.hochhalter@ed.gov](mailto:kathleen.hochhalter@ed.gov))  
Mary Gust, USDOE Administrative Actions and Appeals ([mary.gust@ed.gov](mailto:mary.gust@ed.gov))  
ACCET Executive Committee  
Jeff Meisel, Career Colleges of America ([jjmeisel@aol.com](mailto:jjmeisel@aol.com))  
Ron Schaeffer, Career Colleges of America ([RonS@careercolleges.edu](mailto:RonS@careercolleges.edu))

## Agenda Item #13.B.1., Attachment F



EST. 1988  
January 24, 2014

### Career Colleges of America

To all CCA students

As you are aware, we have been diligently working to find another college or colleges to provide a teach-out for all of our students so you could complete your training without interruption and with the knowledge that all of your earned credits from CCA would be accepted without additional cost. Until now, we were in discussions with a number of different schools, both in state and out of state, a number of which seemed very promising.

Unfortunately, and for different reasons, we have been unsuccessful in connecting with a school(s) to agree to do the teach out. We have, therefore, reluctantly, concluded that an arranged teach out as we had hoped is not possible.

CCA is officially ceasing classes at all campuses. As such, the only option available is for our students to transfer to another college. In so doing, we will try to help and you should seek to have the receiving school accept your earned credits and agree to charge you no more than you would owe to CCA to complete the program. Since Attached is a list of colleges in the area that offer some or all of the programs we offered. Official academic and financial records are being printed and will be mailed to you.

We are truly sorry for these events and circumstances. We will continue to assist you in transferring to other colleges. Please call 310.287.9901 for further information. Please call to make appointment before coming to the campus as working hours may vary.

The following information is taken directly from the BPPE website.

“ The Bureau for Private Postsecondary Education (Bureau) is committed to ensuring students receive appropriate refunds from the Student Tuition Recovery Fund (STRF) account, in accordance with applicable laws and regulations. The STRF exists to relieve or mitigate economic losses suffered by a student in an educational program at a qualifying institution, who is or was a California resident or was enrolled in a residency program, if the student enrolled in the institution, prepaid tuition, paid the assessment, and suffered loss. Students may file an STRF claim by completing the claim form on the BPPE website at :

<http://www.bppe.ca.gov/students>. The STRF application is located in the "Forms" box on this page and is available in English and Spanish.

Students may wish to transfer to a different institution to complete their educational program. Institutions approved by the Bureau for Private Postsecondary Education may be found at this link: <https://app.dca.ca.gov/bppe/default.asp> If students decide to transfer they may request transcripts from Career Colleges of America, Los Angeles location at 1801 S La Cienega Blvd, Los Angeles, CA 90035, Phone (310) 287-9901.

Students may choose to research other educational options such as other majors. Students may apply for reimbursement of their tuition through the Student Tuition Recovery Fund (STRF.) The application for reimbursement through STRF may be found at this link:

[http://www.bppe.ca.gov/forms\\_pubs/strf.pdf](http://www.bppe.ca.gov/forms_pubs/strf.pdf)

Students may apply for federal loan discharge after the US Department of Education has officially closed the school (It can take up to two weeks for an institution to be officially closed in the US Department of Education database). Students, who have received federal guaranteed student loans and cannot complete their studies because the institution closes, may be eligible to have their loan(s) discharged. Loan discharges are not automatic with the closure of a school; students will need to apply for loan discharge. Students should contact their lender or the U.S. Department of Education at 1-800-4-FEDAID or obtain more information, including a loan-discharge application, online at <http://studentaid.ed.gov/>.

Additional information for students may be found by clicking the "Students" tab on this website or by clicking <http://www.bppe.ca.gov/students/index.shtml>.

# Agenda Item #13.B.1., Attachment G



BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY • GOVERNOR EDMUND G. BROWN JR.

**Bureau for Private Postsecondary Education**  
2535 Capitol Oaks Drive, Suite 400, Sacramento, CA 95833  
P (916) 431-6959 F (916) 263-1897 | [www.bppe.ca.gov](http://www.bppe.ca.gov)



## Update – Career Colleges of America

### Information:

- Career Colleges of America lost their accreditation. Because the institution was approved (by the BPPE) by means of accreditation, once they lost their accreditation they also lost their BPPE approval to operate.
- The institution is continuing to work on arranging a teach-out which would allow the students to continue their education under the terms of their current enrollment agreement, as of January 15, 2014, no teach out has been arranged.

### Students have options:

- Students may request a refund from the school.
- Students may wait a week or two in order to see if a teach-out is arranged by Career Colleges of America and approved by the United States Department of Education.
- Students may wish to transfer to a different institution to complete their educational program. Institutions approved by the Bureau for Private Postsecondary Education may be found at this link: <https://app.dca.ca.gov/bppe/default.asp>
- If students decide to transfer they may request transcripts from Career Colleges of America, South Gate location at 5612 East Imperial Highway, South Gate, CA 90280, Phone (562)861-8702.
- Students may choose to research other educational options such as other majors.
- Students may apply for reimbursement of their tuition through the Student Tuition Recovery Fund (STRF.) The application for reimbursement through STRF may be found at this link: [http://www.bppe.ca.gov/forms\\_pubs/strf.pdf](http://www.bppe.ca.gov/forms_pubs/strf.pdf)
- Students may apply for federal loan discharge after the US Department of Education has officially closed the school (It can take up to two weeks for an institution to be officially closed in the US Department of Education database). Students, who have received federal guaranteed student loans and cannot complete their studies because the institution closes, may be eligible to have their loan(s) discharged. Loan discharges are not automatic with the closure of a school; students will need to apply for loan discharge. Students should contact their lender or the U.S. Department of Education at 1-800-4-FEDAID or obtain more information, including a loan-discharge application, online at <http://studentaid.ed.gov/>.
- Additional information for students may be found by clicking the "Students" tab on this website or by clicking <http://www.bppe.ca.gov/students/index.shtml>.



BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY • GOVERNOR EDMUND G. BROWN JR.

**Bureau for Private Postsecondary Education**  
2535 Capitol Oaks Drive, Suite 400, Sacramento, CA 95833  
P (916) 431-6959 F (916) 263-1897 | [www.bppe.ca.gov](http://www.bppe.ca.gov)



January 15, 2014

### **Update – Career Colleges of America – Student Records**

Career Colleges of America will be making records available to students through their Los Angeles Campus. Students should call the Los Angeles campus at 310-287-9901 to obtain their records. The BPPE would like to remind students to please be patient when contacting the institution for their records, as there may be a high volume of calls ahead of you.

BPPE will continue to provide updates to the students as they are made available.



Business, Consumer Services and Housing Agency-- Governor Edmund G. Brown, Jr.

**Bureau for Private Postsecondary Education**  
2535 Capitol Oaks Drive, Suite 400, Sacramento, CA 95833  
P.O. Box 980818, West Sacramento, CA 95798-0818  
P (916) 431-6959 F (916) 263-1897 www.bppe.ca.gov



## **Update – Career Colleges of America**

### **Information:**

The Bureau for Private Postsecondary Education received notification on January 24, 2014, that Career Colleges of American (CCA) has officially closed its three campuses. To obtain copies of your student records, contact CCA at 310-287-9901.

### **Loan Discharge**

If you have Federal loans, you may be eligible for a discharge. Loan discharge is not automatic with the closure of a school. You **MUST** send an application for loan discharge to the holder of your loan. Please note, if the school is not officially closed by the U.S. Department of Education (USDE) before you submit a loan discharge application, your application may be denied. It is important that you call the USDE (contact information is listed below) to ensure the school is listed as closed before you send your application. Please be mindful that it may take some time for the USDE to officially close the school.

You can find the loan discharge form and other important information at:  
<https://www.myeddebt.com/borrower/>

For ANY federal government loan questions you may contact the United States Department of Education at 800-4FED-AID (433-3243).

For Non-Federal Loans, contact the holders of your loan to inquire about what relief may be available to you concerning these loans.

### **Student Transfer**

If you transferred to a new school, and the school is requiring you to repeat classes to complete your program, the Student Tuition Recovery Fund (STRF) may cover the cost of the classes.

### **Student Tuition Recovery Fund**

*Student Tuition Recovery Fund* - Students enrolled at the time of school closure (or within 60 days of the school's closure) may be eligible for reimbursement through STRF. The STRF exists to relieve or mitigate economic losses suffered by a student in an educational program at a qualifying institution if the student was a California resident (or was enrolled in a residency program.)

The student of a closed school must have:

- prepaid the tuition,
- paid the STRF assessment, and
- suffered loss

Applicable STRF Regulation is 76020 - Student Tuition Recovery Fund (STRF).  
Students who have exhausted all other possible ways to recover lost tuition expenses may file a STRF claim application. You may download a STRF claim application (Español) from our website. If you have questions regarding eligibility you may contact the Bureau's STRF Unit at (888) 370-7589, press 5 when prompted, or email questions to STRF@dca.ca.gov .

# Agenda Item #13.B.1., Attachment H



BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY • GOVERNOR EDMUND G. BROWN JR.

**BOARD OF VOCATIONAL NURSING & PSYCHIATRIC TECHNICIANS**  
2535 Capitol Oaks Drive, Suite 205, Sacramento, CA 95833-2945  
Phone (916) 263-7800 Fax (916) 263-7855 Web [www.bvnpt.ca.gov](http://www.bvnpt.ca.gov)



February XX, 2014

Ron Schaechter, CEO  
Vocational Nursing Program  
Career Colleges of America, Los Angeles  
1801 South La Cienga Boulevard, Suite 301  
Los Angeles, CA 90035

Dear Mr. Schaechter:

Pursuant to the action of the Board of Vocational Nursing and Psychiatric Technicians (Board) on February 28, 2014, the status of the Career Colleges of America Vocational Nursing Program has been changed from full approval to provisional approval for the three (3) month period from February 28, 2014 through May 31, 2014.

The purpose of this letter is to explain the areas of non-compliance found and the corrections required of your program to avoid losing approval completely.

Once you have reviewed this letter, please sign and return the enclosed "Acknowledgement of Change in Approval Status" form by **Friday, March XX, 2014**.

## AREAS OF NON-COMPLIANCE [VIOLATION(S)]

In accordance with Section 2526.1(c) of title 16 of the California Code of Regulations,

"The Board may place any program on provisional accreditation when that program does not meet all requirements as set forth in this chapter and in Section 2526..."

Section 2530(l) of title 16 of the California Code of Regulations states:

"The program shall maintain a yearly average minimum pass rate on the licensure examination that does not fall below 10 percentage points of the state average pass rate for first time candidates of accredited vocational nursing schools for the same period..."

The program pass rates of the Career Colleges of America Vocational Nursing Program for the past twenty-six (26) quarters are set forth in the following table.

NCLEX-PN® Licensure Examination Pass Rates			
Quarter	State Annual Average Pass Rate	Program Annual Average Pass Rate	Variance from State Annual Average Pass Rate
Jul – Sep 2007	76%	81%	+5
Oct – Dec 2007	76%	83%	+7
Jan – Mar 2008	75%	81%	+6
Apr – Jun 2008	74%	79%	+5
Jul – Sep 2008	74%	75%	+1
Oct – Dec 2008	73%	69%	-4
Jan – Mar 2009	72%	71%	-1
Apr – Jun 2009	70%	66%	-4
Jul – Sep 2009	72%	73%	+1
Oct – Dec 2009	73%	76%	+3
Jan – Mar 2010	74%	75%	+1
Apr – Jun 2010	75%	76%	+1
Jul – Sep 2010	75%	64%	-11
Oct – Dec 2010	76%	60%	-16
Jan – Mar 2011	77%	59%	-18
Apr – Jun 2011	76%	58%	-18
Jul – Sep 2011	76%	63%	-13
Oct – Dec 2011	75%	60%	-15
Jan – Mar 2012	74%	61%	-13
Apr – Jun 2012	74%	69%	-5
Jul – Sep 2012	74%	72%	-2
Oct – Dec 2012	74%	75%	+1
Jan – Mar 2013	73%	77%	+4
Apr – Jun 2013	73%	80%	+7
Jul – Sep 2013	74%	74%	0
Oct – Dec 2013	76%	67%	-9

Based on this data, the program was in compliance with regulatory requirements for nineteen (19) quarters and non – compliant for seven (7) quarters.

**REQUIRED CORRECTION(S)**

1. Require the program to admit no additional classes without prior approval by the full Board.
2. Failure to take any of these corrective actions may cause the full Board to revoke the program's approval.

## **FUTURE BOARD ACTION**

Your program will be placed on the **May 2014** Board Meeting agenda for reconsideration of your approval status. If you have additional information that you wish considered beyond the required corrections listed on pages 2 and 3, you must submit this documentation by the fifteenth day of the second month prior to the Board meeting.

## **OTHER IMPORTANT INFORMATION**

Please be advised that, pursuant to the Board's regulations, the program will not be authorized to admit new classes beyond the established pattern of admissions previously approved by the Board. The established pattern of admissions approved by the Board is as follows: Prior Board approval is required to admit classes.

In the event your program is required to submit any report(s) as a corrective action pursuant to this notice, such reports are required in addition to any other reports required pursuant to 2527 of the Board's regulations.

The program may no longer advertise that it has full approval, and should take steps to correct any ongoing advertisements or publications in that regard.

A copy of title 16, California Code of Regulations, section 2526.1, regarding provisional approval is attached for your reference. A complete copy of the Board's laws and regulations can be found on the Board's web site at [www.bvnpt.ca.gov](http://www.bvnpt.ca.gov).

Should you have questions, please do not hesitate to contact the Board.

Sincerely,

**TERESA BELLO-JONES, J.D., M.S.N., R.N.**  
Executive Officer

Enclosures

TBJ/ph

cc: Board Members