



THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY, NY 12234

DEPUTY COMMISSIONER  
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October 18, 2013

The Honorable Thomas P. DiNapoli  
Comptroller  
Office of the State Comptroller  
110 State Street, 15<sup>th</sup> Floor  
Albany, NY 12236

**RECEIVED**  
EXECUTIVE CORRESPONDENCE

OCT 23 2013  
OFFICE OF THE STATE COMPTROLLER  
THOMAS P. DINAPOLI  
COMPTROLLER

Dear Comptroller DiNapoli:

In accordance with the provisions of Section 170 of the Executive Law, the following are actions that the State Education Department (Department) has taken, or will be taking, to implement the recommendations contained in the Office of the State Comptroller's (OSC) Final Audit Report (2011-S-51) Oversight of Private Career Schools.

**Recommendation 1:** Ensure that license applications for private career schools are processed within one year of initiation. Take steps to resolve timely the 66 applications which have been pending final determinations for more than a year.

The Department has stepped up its efforts in either finalizing or closing out the long-pending license applications. At least one quarter of the 66 schools whose applications were older than one year have been notified that their applications have either been approved or disapproved. Should they wish to become licensed, another complete application and fee will be required. The schools were informed that they exceeded the policy of completing the package within one year after the initial review.

The Department is also focusing on monitoring all pending packages to prevent this from recurring.

**Recommendation 2:** Establish time frames and implement procedures for completing investigations of private career schools in a timely manner. Provide immediate attention to those cases which involve the most significant issues.

**Recommendation 3: Develop and implement formal processes to prioritize investigations to help ensure the most effective use of limited staff resources.**

**This response is for both the 2nd and 3rd recommendations:**

The first monthly meeting to look at pending investigations has been scheduled for later in October.

An investigative procedures manual will be discussed at this meeting. This will include a discussion of what processes are used to prioritize investigations. The status of the 18 unlicensed schools will be discussed as well.

A preliminary meeting to coordinate a current pending investigation has been held. Emphasis was placed on the major focus of the case, with discussion about how we can limit the scope. Our purpose is to gather enough evidence to build a strong case, without including every last violation. It is challenging to limit the scope, but the focus has to be on bringing the case forward so that corrective action can take place and appropriate fines may be levied.

**Recommendation 4: Formally follow-up with private career schools which do not submit the required statistical reports, including enrollment, graduation and job placement data, to the Department. Take actions against those schools which do not submit the required reports.**

The Department has recently sent letters to 120 private career schools which had not submitted acceptable financial statements, due July 1, 2013. Senior staff is dealing with this influx of statements and the corresponding analysis. In this case, schools have been told that failure to submit the statements by mid-October will be fined \$3,500. In addition, if the submission is not current at the time of license renewal, the school's license renewal will be denied.

The next letter to be sent to schools for failing to submit their enrollment, completion, and placement data (OEDs) is planned for mid-November. Schools failing to submit this data by a set deadline will also be fined \$3,500.

**Recommendation 5: Develop and implement a system to assess school performance. Take actions, as appropriate, to improve underperforming schools.**

The follow-up on schools that have not submitted their OEDs is our first step in this assessment. The system development is progressing well, and incorporation of this data into that system will permit staff to analyze how well the school is training its students.

**Recommendation 6:** As provided for by the State Education Law, take disciplinary actions against private career schools that are in material non-compliance with applicable laws and regulations. This could include (but not be limited to) cease and desist orders, fines, and suspensions/revocations of licenses for schools committing serious violations.

The formalization of investigative procedures and regular meetings to track investigative activities will allow senior staff to establish priorities. The addition of a second Senior Attorney has already helped in handling the heavy workload. This will allow more cases to be brought to disciplinary action.

**Recommendation 7:** Develop and implement a formal plan to use information technology to improve the Bureau's ability to integrate and retrieve data vital to the oversight of private career schools.

The construction of a modern management information system is well under way. Its implementation will significantly improve the Bureau's ability to integrate and retrieve data. The public, including the schools, will have vastly improved access to school information. The Bureau will be able to maintain a history on all schools as they are identified, permitting better tracking of licensed and unlicensed schools.

If you have any questions regarding this response, please contact Carole Yates, Director, Bureau of Proprietary School Supervision, at (518) 474-3969.

Sincerely,



Sharon Cates-Williams