FAIR AND LEGAL INVESTIGATIONS

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OUR MISSION

The mission of the Division is to implement the directives of the General assembly, to provide standards for and to foster and improve private occupational schools and their educational services, and to protect the citizens of this state against fraudulent or substandard private occupational schools.

Legislative Declaration

- The Division and Board are charged with establishing accountability for private occupational school and their agents through the setting of standards relative to:
  a) Quality educational services,
  b) Fiscal responsibility, and
  c) Ethical business practices.
EVOLUTION OF THE COMPLAINT PROCESS
• Former complaint process was skewed in favor of the schools.
  • “verbal complaints in person or over the phone are not accepted”
  • “anonymous complaints are not accepted or processed”
  • “Although not statutorily required…it is encouraged that the student notify and attempt to have the issue addressed with the school before filing.”
  • “complaints may only be filed by a student, enrollee, or parent or guardian of the student or enrollee.”

THE COMPLAINT PROCESS
• The school had 20 days to respond to a complaint, extensions granted if asked for.
• The school’s response was provided to the student, who was given 10 days to review and make comment.
• PROBLEM: A MINIMUM OF 30 DAYS HAVE GONE BY SINCE THE COMPLAINT WAS FILED.
• PROBLEM: THE PROGRAM SPECIALIST IS INVOLVED IN THE COMPLAINT PROCESS.
**STREAMLINED COMPLAINT PROCESS**

**Informal Review and Settlement**

- Complaints are referred directly to the Deputy Director for review. Jurisdictional determinations are made promptly, and a decision to formally or informally investigate the complaint is made.

- Informal complaints are handled initially with a phone call to the school to determine settlement potential. Students notified of results of the informal attempts and outcomes via telephone or email.

**STREAMLINED COMPLAINT PROCESS**

**INITIATION OF AN INVESTIGATION**

- Assess complaints for most positive desired outcome.
- Student success a priority
- School compliance with minimum standards is a priority.
AUTOMOTIVE SCHOOL
THE UNANNOUNCED VISIT

• Complaints filed by several students in the same cohort regarding lack of equipment, equipment that didn’t work, and inadequate instruction in the diesel portion of the program.
• Students were within several weeks of graduation, and considering leaving the program, they wanted a refund.
• Decision to conduct an immediate unannounced visit was to preserve the students’ ability to complete the program, and ensure minimum standards compliance by the school.
FINDINGS

• The students were right in what they had reported to the Division.
  • No diesel engines to work on.
  • The school’s premier equipment, advertised as “state of the art”, was not operational.
  • The instructor was not engaged.

OUTCOME

• The school agreed to repair the broken equipment immediately.
• Obtain diesel engines for students to work on.
• Counsel and provide assistance to the instructor
• Informal Letter of Concern issued to the school.
• ALL STUDENTS GRADUATED WITH THE EDUCATION THEY NEEDED TO OBTAIN EMPLOYMENT!
PUBLIC SAFETY ISSUES

• Massage School – Human trafficking/prostitution:
  • Involvement of local law enforcement
  • Involvement of Federal law enforcement
  • Involvement of DORA
PUBLIC SAFETY ISSUES

- Cosmetology School
  - Barbering University – Instructor without license & students providing Services on the public first day of class (shaving)
  - Salon Academy – competency based learning
  - AIBC – Violation of every minimum (DS&T)
  - IIC – Violation of every minimum standard
  - Current Investigation (DORA, FSMTB, FBI)
(School offers cosmetology & massage – 67 students took MBLEx when school has no massage equipment or instructor.

Westline Barbering Academy

February 6, 2017

Mr. [Name] has been charged with an assault and battery. He was arraigned and pleaded not guilty. He was later released on his own recognizance. The trial is set for March 2017. The District Attorney has indicated that the case is likely to go to trial.

[Security Alert Image]
Financial Instability

- Investigations triggered by financial instability:
  - BCMT (HCM1 & violations involving Title IV funds)
  - Impetus to focus on financial component (Corinthian, ITT, Heritage, Regency)
- Board now “investigating” changes of ownership.
INVESTIGATION OF UNAUTHORIZED SCHOOLS

- Unauthorized schools process can trigger investigation and involve C&D power (as will an approved school when offering unauthorized programs).
- Institute of Reflexology (offering masters & doctorate degrees)
- CIT (offering/advertising Masters Degree)
- MAT – Muscle Activation Therapy
A certificate of approval is a property right that may not be withdrawn or limited without providing due process.

One of the essential elements of due process is a fair and impartial decision maker free from actual or apparent bias and prejudice.

When the Board decides a matter pertaining to a certificate of approval, board members' responsibilities are akin to those of a judge in that members may not participate in the proceeding if there is a reasonable basis to infer actual or apparent bias or prejudice.

Board member must recuse himself/herself from acting with respect to matters in which his/her impartiality might reasonably be questioned.

Even if Board member may be convinced of his/her own impartiality, it is his/her duty to disqualify himself/herself in order to eliminate all reasonable doubt as to whether the Board was a fair and impartial decision maker.

Relationships giving rise to an appearance of impropriety can be personal or financial. Examples include:

- Close personal friendship, business relationship, family relationship or other sympathetic or adversarial relationship with an owner or director of a school that comes before the Board; and
- When your school competes with a school that comes before the Board. (Tough one because industry members will know competitors - (Example - Chairman SS re CA).
CONSEQUENCES FOR VIOLATING THE RULES

• Board of Ethics: The Governor’s Board of Ethics can review complaints of ethical violations. The Board can also advise the Governor and his senior staff on a situation before a potentially unethical action is taken or may be perceived to exist.
• Civil: If you violate these ethical requirements, the State can sue you for breach of fiduciary duty.
• Criminal: Taking or soliciting bribes is a class 3 felony.

COLO. GOV. IMMUNITY ACT (§ 24-10-101, et seq., C.R.S.)

• Immunity: A board member is immune from liability in any civil action for acts occurring while the person was acting as such a member, in good faith, within the scope of his/her capacity and who makes a reasonable effort to obtain the facts of the matter as to which action was taken and acts in the reasonable belief that the action taken was warranted by the facts.

LESSONS LEARNED

• Err on the side of caution: even when Due Process is afforded it may be questioned.
• CMS – As a result of investigation, the Board ordered Summary Suspension (even though the Division & Board’s decision was upheld through APA, it was long and arduous process).
• Mr. Q. filed a federal law suit (Deprivation of rights under color of law section 1983).
• Google can be a face and time saver (CIT)
CRIMINAL ELEMENTS OF INVESTIGATION

• RN Medispare referred to District Attorney for Felony charges
• CIT
• Mafia comes to Denver
Russian Mafia Comes To Upstate New York

By Eugene Giron

Late last summer, residents of eastern New York found themselves facing a resurgence of organized crime activity in their region.

The Russian Mafia, led by a group of organized crime bosses, has been active in the Buffalo, Niagara, and surrounding areas of upstate New York. This group is known for its involvement in illegal activities such as gambling, money laundering, and drug trafficking.

The rise of this group has been attributed to the influx of Russian immigrants, many of whom have come to the United States seeking economic opportunities.

The Mafia has also been involved in the illegal sale of firearms and has been known to operate in the area under the guise of legitimate businesses.

The Mafia's presence in the area has caused concern among local law enforcement agencies, who are working to combat the threat.

However, the Mafia's activities have not gone unnoticed. Authorities are stepping up their efforts to investigate and disrupt the group's operations.

The Mafia's activities have put a strain on the local communities and have caused fear among residents.

In response, the government has taken steps to address the issue, including increased police patrols and the deployment of additional resources.

The situation remains tense, and residents are urged to be vigilant and report any suspicious activity to the authorities.

U.S. Securities and Exchange Commission

SEC Obtains Asset Freeze and Other Emergency Relief in Case Against Oxford City Football Club, Inc. and its CEO

On December 10, 2013, the Securities and Exchange Commission filed a civil action in the United States District Court for the Southern District of Florida charging Oxford City Football Club, Inc. and its CEO, William Daniel Packard, with violating the federal securities laws. The Honorable Kathleen P. O'Toole of the United States District Court for the Southern District of Florida issued a temporary restraining order, asset freeze, and other emergency relief against Oxford City, Quinlan, and related defendants ODF Health, Inc., an entity owned and controlled by Quinlan.

In its complaint, the SEC alleged that Quinlan, as CEO of Oxford City, used deceptive tactics and a false front of a legitimate professional football team to raise money from investors.

The SEC further alleged that Oxon City's financial statements were false and misleading, and that Quinlan used investor funds for personal benefit.

In response, the SEC obtained an asset freeze, which prohibits the transfer, concealment, or destruction of any assets of the defendants, and a temporary restraining order, which prevents the defendants from engaging in further violations of the securities laws.

The SEC's investigation is ongoing, and it is seeking additional relief, including disgorgement of illegally obtained profits and a permanent injunction against the defendants.
Investigative Reports

FOR IMMEDIATE RELEASE:
September 21, 2001

United States Attorney
Northern District of California

This Week in Criminal History to Support Federal
Development of Deferred Action

Sarah Stone, All California Times, out of the San Francisco office of the U.S. Department of Justice, has filed a complaint on behalf of a group of unaccompanied minors who are residents of Eureka, California. The group includes children ranging in age from 10 to 18 years old who have been living in the United States without legal status since they arrived here as unaccompanied minors. The children claim that they were forced to leave their home country due to political or religious persecution.

The children are seeking assistance in order to apply for Deferred Action status, which would allow them to remain in the United States and pursue their education. The group is currently represented by the law firm of Botelho, Krieger, and McLaughlin, which is based in San Francisco. The firm is providing pro bono legal services to the children.

The United States government has been receiving an increased number of cases involving unaccompanied minors who are seeking to remain in the United States. The Children’s Rights Advocacy Center, a non-profit organization based in San Francisco, is working with the U.S. Department of Justice to develop a comprehensive program to assist unaccompanied minors who are in this country without legal status.

The Children’s Rights Advocacy Center is seeking financial support from the community in order to continue its important work. Contributions can be made online at the center’s website, [www.childrensrightseven.org](http://www.childrensrightseven.org).

Excluded Party List System

What is the program of EPDS?

The EPDS is a widely used and respected network of criminal headquarters that is maintained by the United States Department of Justice. The EPDS is designed to prevent persons who are convicted of certain offenses from entering the United States.

What can I find on the EPDS?

You may access the EPDS through the Internet, at [www.epds.gov](http://www.epds.gov).

Who can use the EPDS?

Federal agency officials can use the EPDS to determine whether an individual is eligible for entry into the United States. The EPDS is not available to the general public.

What specific information is in the EPDS?

As a result of the EPDS, the Federal Bureau of Investigation (FBI) maintains a database of criminal records on persons who have been convicted of certain offenses. The EPDS includes information on those who have been convicted of crimes such as murder, rape, and drug trafficking. The EPDS also includes information on persons who have been convicted of certain offenses in other countries.

What does the EPDS mean for me?

The EPDS is a valuable tool that is used by federal agencies to ensure that persons who are ineligible for entry into the United States are not allowed to enter the country. By using the EPDS, federal agencies can prevent persons who have a criminal history from entering the country and causing harm to others.