



N.A.S.A.S.P.S
2013 Annual Conference
 April 21-24, 2013
 Sacramento, CA

INSPIRING EXCELLENCE

Building a culture of Compliance in a complex regulatory environment

CORINTHIAN COLLEGES, INC


- John Andrews, Vice President Accreditation & Licensing
- Christine Galdston, Associate Vice President, Compliance
- Sumi Shrishrimal, Vice President Internal Audit
- Renee D. Gaddis, Director Accreditation & Licensing



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Corinthian Colleges, Inc - From 30,000 feet

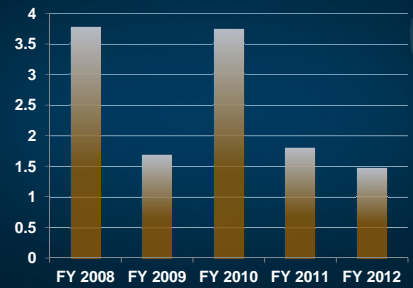
- 107 Campuses
- Serving 91,000 students in 25 states
- A Variety of Accrediting Agencies – Institutional and Programmatic
- 51 Accreditation Visits Scheduled in 2012-2013
- State Reviews
- 45 Programmatic Accreditation Visits
- 6500 Faculty Files to maintain
- 213 State Campus Applications submitted
- 1,382 State Admissions Representative Licenses submitted
- 21 State Distance Education Applications submitted
- 242 State Distance Education Admissions Representatives Applications submitted



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Accreditation – A critical part of the Triad

Average Number of Citations




Fiscal Year	Average Number of Citations
FY 2008	3.8
FY 2009	1.7
FY 2010	3.8
FY 2011	1.8
FY 2012	1.5



* States often observe Reaccreditation Visits

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Internal Audit



We're in this together.....

Internal Audit

- Sarbanes-Oxley Compliance
- Compliance with Accreditation Agencies, Department of Education, State Regulations and Company Policies
- Operational Audits
- Investigations






Compliance Audits


- Compliance Audits ensure that schools are in compliance with the Department of Education, state regulations, meet accreditation requirements, follow company policies, and pass the SOX Key Controls
- Campuses are held to the highest state regulation or accreditation standard
- Every campus – Every year
- Some conducted on an unannounced basis
- Each audit is four weeks in length with a week spent at the campus
- Various schedules such as accreditation visits are taken into consideration while planning our audits








Compliance Audits

- Each audit step is risk ranked and is assigned a specific number of exception points.
- All exceptions identified are scored according to defined criteria to determine an error percentage.
- This error percentage is converted to an audit score of 1 – 5, with 1 being best.
- All schools scoring higher than 3.5 are re-audited within the fiscal year



State and Consumer Protection Focus

- The compliance audit content is driven by subject matter experts
- State Specific Disclosures (e.g. Documents per Texas Workforce Commission requirements)
- Consumer Disclosure Information
- State Grant Funds
- Attendance Monitoring (TWC and State of Maryland)
- Clock Hour programs (State of California)



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State and Consumer Protection Focus

- Specific programmatic requirements – e.g. Dental Board of California
- State Refund policies adequately disclosed and adopted
- State Licenses for Admissions representatives
- Employer and Graduate surveys
- Complaints and Grievances



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Validity of Placements

Compliance audit includes procedures to ensure validity of placements

- Employer visits (based on risk) at every campus
- Review of placements to ensure employment is verified and documented
- Review of Regional Vice President Operations' visit to placement sites employing more than 5 graduates



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Audit Report

- An "exit conference" is scheduled with school management and regional management at the end of fieldwork to review the issues
- The campuses are given an opportunity to disagree with our findings and provide additional documentation
- We often consult with subject matter experts to concur on a finding



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Audit Report

- Following the exit conference, an "Audit Report" is issued which includes the audit score and a summary of the exceptions
- The Audit Report is sent to the campus as well as regional and divisional management including executive management
- A Corrective Action Plan needs to be completed by the campus and provided to several levels of management and Internal Audit





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CORINTHIAN COLLEGES, INC.

TO: Pete "Maverick" Mitchell

FROM: Mike "Viper" Metcalf, Manager Internal Audit
Rick "Hollywood" Neven, Manager Internal Audit

DATE: July 3, 2012

SUBJECT: Top Gun School Compliance Audit Report and Template for Documenting Corrective Action Plans

IA CONTACT: Nick "Goose" Bradshaw, Ext. 0000

COPIES: CEO; COO; CFO; EVP Operations; EVP Marketing; EVP Legal; VP Internal Audit; Chief Academic Officer; AVP Accreditation and Licensing; AVP Curriculum; VP Financial Aid; Regional Finance Director; Regional Vice President Operations; Regional Vice President Admissions; Regional Director Career Services


Thank you for your cooperation during the FY12 Internal Compliance Audit that was performed for your campus. Attached is a summary of the exceptions noted during our review and a corrective action template for you to complete. See Appendix A for scoring criteria.

FY12 Audit Score:

Audit Score	Total Exception Points for this Audit	Total Exception Points Possible	Exception Percentage
1.4	13	232	5.60%

FY11 Audit Score:

Audit Score	Total Exception Points for this Audit	Total Exception Points Possible	Exception Percentage
1.5	18	252	6.35%




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Compliance Audit Results Top Gun School

Summary of Audit Findings

High Risk Audit Issues:

Exception No.	Audit Area	Exception(s) Noted	Error Rate	Exception Points
1	Academics	Of 20 students reviewed, 1 student was missing an "Enrollment Agreement Addendum and Disclosures".	5%	1
2	Academics	Of 20 VA students reviewed, 2 did not have prior transcripts and hence were not evaluated for prior courses taken.	10%	1
3	Academics	Of 20 students reviewed who violated SAP, 1 was missing notification and advising documentation.	5%	1
4	Academics	We noted 1 student with unposted attendance for one class.	N/A	1
5	Career Services	We note that the employer and alumni surveys being distributed and returned are not being properly tracked.	N/A	1
6	Career Service	We noted 3 programs were below the accreditation placement benchmark as of April 2012. Additionally, we noted 1 of these programs was below in FY11.	N/A	2
7	Repeat Findings	We reviewed the compliance audit reports for FY11, FY10 and FY09 and noted 1 (Academics) 0 and 0 repeat findings respectively.	N/A	2



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How do we make it stick?


- Tone at the Top
- Celebration for the Number 1 Compliance Club
- Action taken against for the bad actors
- Extra points for Repeat Findings in Audits
- Quarterly Compliance Day





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Operationalizing the Campus Process



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Creating a culture of Compliance

- **The Blue Angels**
 - » Precision teamwork and execution
 - » Practice and preparation enable their ability to execute.
 - » These guys fly 2.5 feet apart at 800 miles per hour!




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The Campus Tools

- Starts with the right people
- Strong Student DataBase (Cvue)
- Campus Visit Checklist
- Institutional Assessment and Improvement Plan (IAIP)
- Detailed Internal Audit Processes
 - Inspecting what you expect





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RVPO Checklist Example

EDUCATION:	Issue - Owner - Timeline
R Attribution Summary Report Gross/Net Drops	
R Re-entry Prog. / Forecast	
R Classroom Utilization	
R ATB Advising Report	
R SAP not met/SAP violations	
R Scheduled Return from LOA	
R Attendance Violation Report	
R Consecutive Days Absent Report	
R Instructor observations	
R Posted/Unposted ATT-Grades	
Master Student Listing	
Faculty Files	
R Selected Letter Grade Report (TB credits)	
Attendance Change Audit Report	
Grade Change Audit Report	

20

Placement Verification Process

- **Regional Team Site Visits/Audits**
 - Drive to the placement site and check to see that it is a valid office in the field and that they know/remember the student.
- **For employers with more than 5 people placed**
 - Regional team is required to visit any employer that places 5 or more people.



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Communicate with Students – Promote Student Satisfaction

- **Student Surveys**
 - Twice per year
 - Uses Net Promoter Score format (NPS)
 - Gauges Student Satisfaction
- **Develop Action Plans to improve student satisfaction**




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Campus Condition

- **Take pride in the school**
 - **Campus condition plays a large role in overall student satisfaction**
 - Condition of Equipment
 - Condition of the Restrooms
 - Student Lounge
 - Resource center



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Student Resources

- **Student Resource Program**
 - **Learning Resource Center (LRC)**
 - Current periodicals to support the program
 - » National Library Support Person
 - Reference materials
 - Computers and Computer access to resources (LIRN)
 - **CARE Program**
 - Outside assistance with legal assistance, daycare, psychiatric help, housing, transportation, etc.




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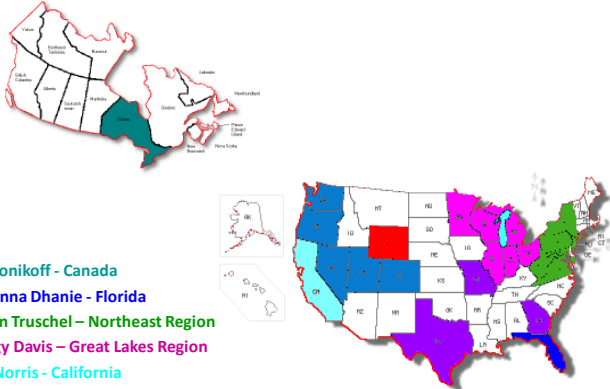
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ACCREDITATION & LICENSING TEAM





INSPIRING EXCELLENCE



- Liz Konikoff - Canada**
- Julianna Dhanie - Florida**
- Loren Truschel - Northeast Region**
- Peggy Davis - Great Lakes Region**
- Bill Norris - California**
- Sara Bartholomew - Texas, Missouri and Georgia**
- Renee Gaddis - WyoTech Wyoming, California, Pennsylvania and Florida**
- Frances Hartdige - Northwest Region, Nevada, Utah and Colorado**

SUPPORT TO THE FIELD




- **Communicate**
- **Assist**
- **Review**
- **Evaluate**
- **Develop**
- **Prepare**




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READINESS VISIT



- **Unannounced Visits**
 - President Binders
- **Desk Review**
- **Prep for Visit**
 - 30-60 days before site visit
 - Send school materials
 - Request meetings
- **Visit**
 - 2-3 days



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BPPE Readiness Checklist - 2013-10-15.xlsx

BPPE Minimum Requirements Checklist	Date of Page	Prepared By	Date Prepared
School	Latest Date Here	Latest Date Here	Latest Date Here
Enter School Name	Latest Date Here	Director of Education	Latest Date Here
Approved	Review and completed with code	Enter Name Here	Other Name
Enter Date	Review and completed with code		
Enter Date	Review and completed with code		
Enter Date	Review and completed with code		

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California Bureau for Private Postsecondary Education (BPPE) Minimum Requirement Evaluation Summary

	Catalog	Enrollment Agreement	Administration	Admissions	Educational Programs	Faculty
Has not been reviewed	0	0	0	0	0	0
Total Items reviewed	0	0	0	0	0	0
Has not been reviewed	0%	0%	0%	0%	0%	0%
Total Items reviewed	0%	0%	0%	0%	0%	0%

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List of Current Active Students by Program

List of Dropped Students by Program (last 24 months)

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Everest COLLEGES, INSTITUTES & UNIVERSITIES

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