
INDIANA COMMISSION ON PROPRIETARY EDUCATION

Board of Commissioners Meeting Memorandum

Date: December 10, 2008

From: Jodi White, Administrative Director

**Subject: STUDENT REFUND CLAIM VALIDATION: PROFESSIONAL CAREER
ACADEMY LLC**

Staff recommendation

Commission staff recommends that the claim filed by Everett Keen, a formerly enrolled student at Professional Career Academy, Indianapolis, Indiana be deemed valid and paid in accordance with IC 21-17-3-24, and 570 IAC 1-6-4, and as noted in the supporting documentation. Total of the claim is \$8028.80 to be paid from Institutional Surety Bond #1PM08849102, dated June 19, 2007 through June 19, 2008, issued by Fidelity & Deposit Company of Maryland (Zurich Corp), 3910 Keswick Road, Baltimore, Maryland, 21211.

Background

- Everett Keen responded to an ad in The Employment Magazine for training in HVAC at Professional Career Academy (PCA).
- Mr. Keen signed a contract with the school for HVAC training on August 22, 2007, (a copy of the contract was never provided by the school to Mr. Keen).
- Mr. Keen obtained a personal loan through Sallie Mae in the original amount of \$7164.90.
- The class was not active at the time advertised; there was no instructor hired at the time Mr. Keen enrolled; Mr. Keen's calls to the school and Mr. Lloyd's personal cell phone were either not returned, or given an excuse as to why the program had not started. The program never did start.
- Mr. Keen sought a refund of the balance of the loan, and accrued interest.
- After many unsuccessful attempts to contact Mr. Lloyd in an attempt to receive a refund, Mr. Keen filed a formal complaint with the commission. That complaint was received June 6, 2008.
- Rebecca Carter, former Director of Regulatory Compliance with the commission, adjudicated the complaint. Her findings were that PCA was to repay the full amount of the outstanding loan by no later than October 18, 2008, through the commission offices.
- The attorney that represents Mr. Lloyd, Jeffrey D. Heck, was notified by a certified mail letter dated September 18, 2008, of Ms. Carter's determination.
- PCA was offered an opportunity in that letter to request an administrative review of the determination by an administrative law judge. The request for review had to be received in the commission's offices by October 8, 2008.
- There has been no request for administrative review of Ms. Carter's findings.
- Mr. Keen has been making regular, minimum payments on the loan to protect his credit. The loan balance continues to increase despite his payments due to interest. The balance is projected to be \$7808.80 by December 1, 2008. When adding this balance to what Mr. Keen will have paid by December 1, 2008, \$220.00; he is due a total refund of \$8028.80.

Supporting Documentation

1. Formal complaint
2. Student loan contract
3. Account status with payment records up through June 2008, when complaint was filed
4. Correspondence related to the case.

Keen vs PCA staff report

**RECORD OF COMPLAINT**

State Form 39280 (R2/9-91)

RECEIVED
JUN 06 2008**INDIANA COMMISSION ON
PROPRIETARY EDUCATION****Instructions:**

1. Please **PRINT** or **TYPE**.
2. Upon Completion, Send this form to
Indiana Commission on Proprietary Education
302 W Washington St RM E201
Indianapolis IN 46204

Name of student		Date
Everett Keen		5/31/2008
Address (number and street)		
706 S. Worth Ave.		
City, State, ZIP code		
Indianapolis, Indiana 46241		
Signature of student		Telephone number
<i>Everett G. Keen II</i>		(317) 851-8466

Name of school			Location of school	
The Professional Career Academy, LLC			3833 N. Meridian St. Indianapolis, IN 46208	
Name of salesperson			How were you contacted?	
Darryl Lloyd			The Employment Source Magazine	
Date contract signed	Amount	Balance owed	Date you began class	Date attendance ended
08/22/2007	\$ 7,164.90	\$ 7,164.90	Never attended a class	N/A

What relief are you seeking?

I would like a refund of the payments that I have already made on the loan and to have the loan wiped out.

Describe below, in detail, the events leading to this complaint. (Use reverse side if additional space is needed.)

Well I would like to say that I am not a very good writer, but I will try to do my best. I was falling on hard times financially and was desperate to find a solution, so I happened to find this ad in The Employment Source magazine for this school called The Professional Career Academy, LLC, which had a lot of different career learning programs. The school also stated that you could graduate in 8 weeks, which I thought would work out perfect because I was trying to do something to change my situation rather fast. The owner of the school even told me that he might be able to set me up with a job after the course was completed. I was kind of skeptical about the school at first, so I asked one of the workers at the school, "How long has the school been in business?", and they said about four years and about 800 students have graduated from the school, so I decided to go ahead and give the school a chance. Well it wasn't too long after I signed all of the loan documents and got approved for a loan to pay for the program is when the problem started. Darryl Lloyd, the owner of the school, started stringing me along every time I called to see about when I would be starting the class that I chose. He would tell me all kinds of excuses, like the instructor was sick, the instructor had a death in the family and he did not know when he would be back. Darryl also gave me his business card with his cell phone number on it, but every time I called it he would say that he was in a meeting and that he would give me a call back, but he never called back. He would also give me other numbers of people to call, which I wrote down on the back of the card. It finally got to the point to where he would not even answer his phone at all, so I tried to call from a different number and every time I did, he would answer his phone and give me the brush off. That was when I knew it was time to do something about it. He also had a sign on the front door of one of his buildings that said that the locks had been changed and nobody was even there. Enclosed is some materials that I managed to gather. I hope that it helps in resolving this complaint.

08/29/2007



EVERETT G KEEN II
706 S WORTH AVE

INDIANAPOLIS, IN 46241-2127

Dear Customer:

Thank you for choosing to borrow through SLM Financial Corporation's education loan program. The loan has been funded in accordance with your Truth-In-Lending Disclosure and Promissory Note.

SLM Financial is affiliated with SallieMae – the nation's leading provider of funding for higher education. SallieMae is the largest holder and servicer of education loans in the country. You will receive a billing statement or coupon book under separate cover. **If you provided an email address during the application process, you may receive your billing statement electronically.** Please be certain to make your payments by the due date indicated below. All checks should be made payable to SLM Financial or SallieMae and mailed to the address indicated on your billing statement or coupon book. There are also direct debit payment options where you can elect to have your monthly payment taken electronically from your checking or savings account. Please contact our Customer Service department at 1-888-2SALLIE for more details.

Your loan may have more than one disbursement, depending on the schedule established by the Truth-in-Lending Disclosure and Promissory Note. Each time a disbursement is sent, a confirmation letter will be sent to you.

If your loan has already fully disbursed and you think you are entitled to a refund from your school, please notify the school of your request in compliance with your enrollment agreement and forward a copy to SLM Financial Corporation for our records. This request can be e-mailed to slm.qualityassurance@slma.com.

Important Notice: Please be advised that we may report information regarding your loan to the major credit bureaus. Late payments, missed payments, or other defaults on your account may also be reflected in your credit report.

Please call us at 1-888-2SALLIE if you have any questions regarding your loan or other program information as detailed above.

SLM Financial
Servicing Division

PAYMENT DUE DATE: 09/28/2007

PAYMENT AMOUNT: \$10.00

P.O. Box 4700 – Wilkes Barre, PA 18773-4700 – (888) 2-SALLIE or (888) 272-5543

SallieMae

WWW.SallieMae.com

P.O. BOX 9500

WILKES BARRE PA 18773-9500

(888) 272-5543

EVERETT G KEEN II
706 S WORTH AVE
INDIANAPOLIS IN 46241

Account Number: [REDACTED]

Dear EVERETT G KEEN II,

06/01/2008

Thank you for your business with Sallie Mae.

This is your payment history for the student loan(s) starred (*) on the following page(s), including up to the last 50 transactions on your account.

Current Account Information

Number of loans	1
Principal balance	\$7,164.90
Accrued interest	\$321.45
Total balance	\$7,486.35

Customer Service

PHONE (888) 272-5543 • FAX (800) 848-1949 • TDD/TTY (888) 833-7562 • 24 HRS/7 DAYS • www.salliemae.com

Para comunicarse en Español con 'Atención al Cliente',
llame gratis al 1-888-272-5543, y marque el número correspondiente.

SallieMae

WWW.SallieMae.com

P.O. BOX 9500

WILKES BARRE PA 18773-9500

(888) 272-5543

Page 1 of 1

06/01/2008

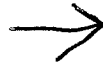
Account Payment Information

Date	Description	Amount	Amount Applied to Principal	Amount Applied to Interest	Amount Applied to Late/Other Charges
05/26/2008	PAYMENT	\$-10.00	\$0.00	\$-10.00	\$0.00
04/28/2008	PAYMENT *	\$-10.00	\$0.00	\$-10.00	\$0.00
03/27/2008	PAYMENT	\$-10.00	\$0.00	\$-10.00	\$0.00
02/26/2008	PAYMENT	\$-20.00	\$0.00	\$-20.00	\$0.00
01/15/2008	PAYMENT	\$-20.00	\$0.00	\$-20.00	\$0.00
12/27/2007	PAYMENT	\$-20.00	\$0.00	\$-20.00	\$0.00
11/22/2007	PAYMENT	\$-20.00	\$0.00	\$-20.00	\$0.00
10/26/2007	PAYMENT	\$-20.00	\$0.00	\$-20.00	\$0.00
09/25/2007	PAYMENT	\$-20.00	\$0.00	\$-20.00	\$0.00

PHONE (888) 272-5543 • FAX (800) 848-1949 • TDD/TTY (888) 833-7562 • 24 HRS/7 DAYS • www.salliemae.com

Para comunicarse en Español con 'Atención al Cliente',
llame gratis al 1-888-272-5543, y marque el número correspondiente.

Front of
Business Card



Professional Career Academy LLC

Darryl Lloyd

President/CEO

dlloyd@professionalcareeracademy.com

T:317-925-2066

C:317-437-3578

F:317-925-2963

3905 Gemco Lane
Indianapolis, IN 46254

Back of
Business Card



298-9630

327-6400

619-333-3049

619-333-3049



CODE	Career Development Certificate Program	Credit Hours	Method of Instruction	Instructor
1	AA Administrative Assistant	200	classroom	Bree Loughman, MS
2	AOS Administrative Office Skills	300	classroom/online	Bree Loughman, MS
3	BK Bookkeeping Fundamentals	200	classroom/online	John Loughman, Esq
4	MT Building Maintenance Technician/Remodeling	300	classroom	JD Bandy
5	CAR Carpentry	300	classroom	JD Bandy
6	C.NA Certified Nursing Assistant/Administrative Assistant	200	classroom	Rita Burke
7	ITA+ Computer Tech. A+ & PC Building	200	classroom	John Nick
8	ITC Computer Tech. Intro Cisco/Network Assist.	200	classroom	John Nick
9	ITL Computer Tech. Intro to Linux + Certification	200	classroom	John Nick
10	ITS Computer Tech. Network + Security Certification	200	classroom	John Nick
11	CFA Computerized Financial Accounting	200	classroom/online	John Loughman, Esq
12	CSS Customer Service Specialist/Sales	300	classroom	Darryl Lloyd
13	DP Desktop Publishing	200	classroom/online	Bree Loughman, MS
14	ELE Electric	200	classroom	JD Bandy
15	FORK Forklift/Material Handling	200	classroom	Frank Rustin
16	HVAC Heating Ventilation & Air Conditioner /Repair	300	classroom	Gerald Devore
17	HEO Heavy Equipment Operation	200	classroom	Ron Rachow
18	HI Home Inspection	200	classroom/online	JD Bandy
19	LA Legal Assistant	300	classroom	John Loughman, Esq
20	LS Legal Secretary	300	classroom	John Loughman, Esq
21	MB Medical Billing	300	classroom/online	Bree Loughman, MS
22	MBC Medical Billing & Coding	300	classroom/online	Bree Loughman, MS
23	MC Medical Coding	200	classroom/online	Bree Loughman, MS
24	MOA Medical Office/Dental Assistant	300	classroom/online	Bree Loughman, MS
25	MRW Medical Report Writing	200	classroom/online	Bree Loughman, MS
26	MTERM Medical Terminology	200	classroom/online	Bree Loughman, MS
27	MTRAN Medical Transcription	200	classroom/online	Bree Loughman, MS
28	MTAPPP Med. Term. Anatomy, Physiology, Pathology, Pharmacology	200	classroom/online	Bree Loughman, MS
29	MCP Microsoft Certified Professional	300	classroom/online	John Nick
30	OFF03 Office 2003 Professional	300	classroom/online	John Nick
31	OFFP Office Procedures	200	classroom/online	Bree Loughman, MS
32	PL Paralegal Skills	300	classroom	John Loughman, Esq
33	PCSP PC Specialist	300	classroom	John Nick
34	PTA Physical Therapy Aide	200	classroom/online	Bree Loughman, MS
35	QBK Professional QuickBooks	200	classroom/online	John Nick
36	PM Property Management	200	classroom/online	John Loughman, Esq
37	RAPP Real Estate Appraisal	200	classroom/online	John Loughman
38	RASS Real Estate Assistant	200	classroom/online	John Loughman, Esq
39	SMB Small Business Owner	300	classroom/online	Darryl Lloyd
40	CDL Truck Driving/CDL	200	classroom	Ron Rachow
41	WELD Welding	200	classroom	Fred Rustin
42	WELD2 Welding Refresher	30	classroom	Fred Rustin



PROFESSIONAL CAREER ACADEMY, LLC

3905 Gemco Lane, Indianapolis, Indiana 46254

Phone: 317-347-9550 · Toll Free: 1-888-471-8380 · Fax: 317-925-2963

CUSTOMER SERVICE SPECIALIST/SALES

This program trains students in providing valuable service to a diverse group of customers, which is essential for success in today's economy. Students will learn strategies to deliver quality customer service with practical "real-world" instruction. Students will apply useful techniques for interacting with customers and clients both on the telephone and in person, which include effectively responding to customer inquiries, portraying a professional image; telephone etiquette; time management; building a rapport with customers. Students will receive *Certificate of Completion* and *Job Placement Assistance* upon successfully completing this program.

Length: 300 Hours

Tuition: \$4995

DESKTOP PUBLISHING

This program builds on basic computer skills and creativity to create and enhance various types of documents with designs, text, graphics, and pictures. Students will apply skills learned to create visually appealing brochures, flyers, newsletters, cards/invitations, charts, tables, signs, and more. Students will receive a *Certificate of Completion* and *Job Placement Assistance*.

Length: 200 Hours

Tuition: \$3995

ELECTRIC

The program focuses on how electrical power systems work, as well as installation techniques, circuitry, measuring current, wiring, safety and repair. Students will acquire a strong foundation in essential power with both classroom and hands-on training. Students will acquire the knowledge and skills necessary to work as a construction, maintenance, telephone, cable, or public utility electrician. Students will receive a *Certificate of Completion* and *Job Placement Assistance* upon successfully completing this program.

Length: 200 Hours

Tuition: \$6995

FORKLIFT/MATERIAL HANDLING

This program is a hands-on program instructing students on safety and industry procedures in forklift operation and construction material handling. Students will be trained to identify potential hazards in the handling and storage of construction materials. Students will apply skills to use a forklift in conjunction with rigging equipment to pick up and place a load. Students will receive a *Certificate of Completion* and *Job Placement Assistance* upon successfully completing this program.

Length: 200 Hours

Tuition: \$3495

HEATING VENTILATION & AIR CONDITIONING REPAIR - HVAC/R

This program combines classroom instruction and a hands-on learning approach to train students in heating and cooling basics. Students will learn theory, basic electricity, safety concepts, automatic controls, troubleshooting motors, and welding/soldering. Students will apply knowledge of concepts and receive practical experience in cooling concepts and components; heat pumps; and heat/oil. Students will demonstrate an understanding of concepts to prepare for and take the *EPA Universal Certification Exam*. Students will receive a *Certificate of Completion*, *EPA Certification*, and *Job Placement Assistance*.

Length: 300 Hours

Tuition: \$6995

HEAVY EQUIPMENT OPERATION

This program trains students to safely and properly operate heavy equipment using state of the art equipment. Combining classroom instruction with hands-on learning, students will acquire the skills, knowledge and experience necessary to skillfully operate a bulldozer, back hoe, and track hoe. Students will select one piece of equipment, which he/she will specialize in operating. Completing this training will prepare students for employment on construction projects, includes classroom and on-site training. It is a comprehensive study program that consists of 21 days of classroom and on site training. Students will receive a *Certificate of Completion* and *Job Placement Assistance* upon successfully completing this program.

Length: 200 Hours

Tuition: \$8995

HOME INSPECTION

This program prepares students to perform home inspections from foundation to rooftop through case studies. Students will learn to spot potential problems and generate accurate home inspection reports for Real Estate Agents, Lenders, banks, attorneys, or anyone requiring a Home Inspection Report. This program also includes a "Home Inspection Kit," which is the student's to keep upon completing the program, an essential for starting a new career as a Home Inspector. Students will receive a *Certificate of Completion* and *Job Placement Assistance*.

Length: 200 Hours

Tuition: \$3995

6080170000

**SLM Financial Corporation Educational Loan Program
Repayment Schedule and Truth-in-Lending Disclosure**

Date 07/20/2007

Burrows.
 EVERETT G KEEN II
 Cosigner:

Cosigner:

Cosigner:

In this disclosure the words 'you' and 'your' refer to Borrower and any Cosigner. Lender refers to **SALLIE MAE BANK**, located in the state of **UT**.
School refers to **PROFESSIONAL CAREER ACADEMY**.

School refers to PROFESSIONAL CAREER ACADEMY

The Lender has approved a Loan Amount of \$ 7,164.90

The estimated first disbursement date for this loan is 07/26/07 .

The interest rate you will pay on the loan is the Prime Rate as published in *The Wall Street Journal* plus 2.000%.

(the Margin)

Your current variable interest rate is 10.250 %

In no way will the interest rate exceed the maximum rate allowed by law.

The Prime Rate used to calculate your variable interest rate was 8.250 %

The supplemental fee for this loan is 2.4289 %

Truth-In-Lending Disclosure

Truth-in-Lending Disclosure			
ANNUAL PERCENTAGE RATE a	*FINANCE CHARGE* c	Amount Financed	Total of Payments e
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid when you have made all scheduled payments.
10.593 %	\$8,391.54	\$6,995.00	\$15,386.54

Late Charge: If any part of a principal or interest payment is more than 10 days late, you will have to pay a late charge of 10.000% of the monthly payment or \$20.00, whichever is greater.

Prepayment: If you pay off the loan early, you will not have to pay a penalty. If you prepay your loan, you are not entitled to a refund of any finance charge.

Variable Rate: The interest rate may change monthly on the first day of each month. The rate is equal to the sum of the highest Prime Rate as published in *The Wall Street Journal* two business days before the end of the prior month, plus the Margin disclosed above, per annum, rounded to the nearest one-eighth of one percent (0.125%). For example, the interest rate for January will be determined by the Prime Rate published the preceding December 29th if there is no intervening weekend. Your interest rate will increase if the Prime Rate increases. An increase may result in higher payments beginning with the first payment due after the next anniversary of the first disbursement date. For example, assume that your loan is for \$10,000 at 10% interest for 120 months. If the interest rate increases to 10.25% after one year, then beginning with the first payment due after the next anniversary of the first disbursement date, your monthly payment amount will increase from \$132.15 to \$133.63. An increase in the Prime Rate may result in payments insufficient to cover the interest due.

Additional Terms: Please see your Promissory Note for additional information about non-payment, default, the right to accelerate the maturity of the obligation, and prepayment rebates and penalties.

e means an estimate

*These payment amounts are an estimated average.

Your payment schedule (c) (which may change based on your first disbursement date) will be:

[illegible]

Itemization of Amount Financed e

Itemization of the Amount Financed of \$ 6,995.00

\$	0.00	Amount Paid to You
\$	0.00	Amount Paid on Your Account
\$	6,995.00	Amount Paid to <u>PROFESSIONAL CAREER ACADEMY</u>
\$	169.90	Supplemental Fee (Prepaid Finance Charge)
\$	7,164.90	Loan Amount

SLM Financial Corporation
(as servicer for Lender)

Additional Fees:

Returned Payment Fee: If I make a payment by check or otherwise and that payment is refused or returned unpaid for any reason, I agree to pay a Returned Payment Fee of up to \$30.00 for each such payment. Such Returned Payment Fee may be added to my principal balance and may accrue interest at the Variable Rate provided in this Note, without further notice.

Forbearance Fee: You may request and the Lender, at the Lender's sole discretion, may grant you a Forbearance under which you may defer regularly scheduled payments for up to seven months. If you request such a Forbearance and the Lender grants it, you agree to pay up to a \$50.00 Forbearance Fee per loan. Such Fee may be added to your principal balance.

By signing you acknowledge receipt of a completed copy of this two page disclosure.

x Emmett J. Keen
Borrower's Signature Date

X _____
Customer's Signature Date

X _____
Cosigner's Signature Date

X _____
Cosigner's Signature Date

Sign and return to:

SLM Financial Corporation • PO Box 147024 • Gainesville, FL 32614-7024 or
SLM Financial Corporation • 3011 SW Williston Rd, Suite 101 • Gainesville, FL 32608

SLAF 0407 0201 0003

(which may change based on your funding date) will be:

Cosigner's Signature _____ Date _____

SLAF 0107 0701 0003

SLM Financial Corporation

Fax Applications to: 1-317-806-4871 Call With Questions: 1-888-272-5543

SLM Financial SallieMae
A Sallie Mae Company

By submitting this application, you authorize SLM Financial to check your credit history whether or not your application is signed. **IMPORTANT INFORMATION ABOUT PROCEDURES FOR APPLYING FOR A STUDENT LOAN:** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who applies for a loan. What this means for you: When you apply for a student loan, we will ask you for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Section A: Student Information Please complete all information. Applicant must be the student.

Date of Birth (mm/dd/yy) Last Name and Suffix First Name MI Relationship to Borrower

Section B: Borrower or Information Please complete all information in this section.

Social Security Number Last Name and Suffix KEEN II First Name EVERETT MI

Address (No PO Boxes) 706 S WORTH AVE City INDIANAPOLIS State IN Zip Code 46241 2127

Phone Number (317) 851-8466 Time at Address Years 6 Months 0

Current Mailing Address City State Zip Code Current Phone Number

Date of Birth (mm/dd/yy) 03/11/1977 Email Address Driver License or State ID State Number

Citizenship (select one) a) U.S. citizen ☒ b) Non-Citizen Permanent Resident Have you ever defaulted on a student loan? Yes ☐ No ☒ Prior Address City State Zip Code

Tuition Expenses \$6,995.00 Total Loan Amount Requested \$6,995.00 Repayment Term Requested (years) 15 Interest Only Payments (In School Only) Yes ☐ No ☒ Interest Only Months 12

Present Employer Name Employer Address (City, State, Zip Code) Gross Monthly Income (documentation required) Gross Monthly Income Source WAREHOUSE WORKER SALARY

Work Phone Number (317) 241-8350 Length at Present Employer Years 11 Months 1 Own / Rent / Other Monthly Mortgage / Rent Amount

Previous Employer Name Length at Previous Employer Years Months Own / Rent / Other Monthly Mortgage / Rent Amount

Landlord / Mortgage Holder Name Phone Number Approximate Mortgage Balance Approximate Home Value Other Monthly Income Note: You do not have to reveal alimony, child support or maintenance income unless you wish it to be considered as a basis for loan repayment Amount \$ Source

References must be of the age of majority. The age of majority is generally 18 in most states. References are not a valid reference.

Last Name and Suffix KIMBLEY First Name BARBARA MI Relationship to Borrower MOTHER

Address (No PO Boxes) City INDIANAPOLIS State IN Zip Code Phone Number

Last Name and Suffix BURGESS First Name REGINA MI Relationship to Borrower FRIEND

Address (No PO Boxes) City INDIANAPOLIS State IN Zip Code Phone Number

Section C: Cosigner Information Please complete all information in this section if applying jointly.

Social Security Number Date of Birth (mm/dd/yy) Email Address Driver License or State ID State Number

Last Name and Suffix First Name MI

Permanent Address (No PO Boxes) Street Address 1 and Street Address 2 City State Zip Code

Permanent Phone Number Time at Permanent Address Years Months

Have you ever defaulted on a student loan? Yes ☐ No ☒ Relationship to Borrower Citizenship (select one) a) U.S. citizen ☐ b) Non-Citizen Permanent Resident Prior Address City State Zip Code

Present Employer Name Employer Address (City, State, Zip Code) Occupation / Title

Work Phone Number Length at Present Employer Years Months Gross Monthly Income (documentation required) Gross Monthly Income Source

Previous Employer Name Length at Previous Employer Years Months Own / Rent / Other Monthly Mortgage / Rent Amount

Landlord / Mortgage Holder Name Phone Number Approximate Mortgage Balance Approximate Home Value Other Monthly Income Note: You do not have to reveal alimony, child support or maintenance income unless you wish it to be considered as a basis for loan repayment Amount \$ Source

References must be of the age of majority. The age of majority is generally 18 in most states. Borrower is not a valid reference.

Last Name and Suffix First Name MI Relationship to Cosigner

Address (No PO Boxes) City State Zip Code Phone Number

Signature(s)

This application will be submitted to SLM Financial Corporation ("SLMF") for approval. I/we authorize SLMF to use credit information previously obtained in connection with another loan in connection with this application. I/we authorize and instruct any person or consumer reporting agency to furnish to SLMF any information that it may have or obtain in response to such credit inquiries and agree that such information, along with this application, shall remain SLMF's property, whether or not a loan is approved. All information set forth in this application is declared to be a true representation as to the facts, made for the purposes of obtaining the loan requested, and any willful misrepresentation in this application may result in criminal action. As a condition to obtaining this loan, I/we authorize and consent to the lender, any other lender for loans that may be offered to me in the future, any subsequent holder of the loans, any school or any of their agents to share and release information pertinent to this application or loan. In addition, SLMF and its affiliates may share credit and other information about me/us with each other for marketing and administrative purposes. (Please review the Sallie Mae privacy policy for information concerning your rights to limit the sharing of this information.)

Borrower Signature *Euntha Green II* (seal) Date 8/22/07 Cosigner Signature (seal) Date

Section D: School Certification To be completed by an authorized school official.

School Name PROFESSIONAL CAREER ACADEMY School Code/Branch 6080170000 School Address 3833 N MERIDIAN ST INDIANAPOLIS IN 46208 School City INDIANAPOLIS School State IN

For the Enrollment Period Anticipated Grad Date (mm/dd/yy) 07/26/2008 School Phone Number (317) 437-3378

Enrollment status: Full Time ☒ Half Time ☐ Less than half time Tuition Amount \$ 6,995.00

Disbursement 1 Amount \$ 2,331.00 Date 07/26/2007 Disbursement 2 Amount \$ 2,332.00 Date 08/02/2007 Disbursement 3 Amount \$ 2,332.00 Date 08/09/2007

Disbursement 4 Amount \$ Date Disbursement 5 Amount \$ Date Disbursement 6 Amount \$ Date

I hereby certify that the student in Section A has been accepted for enrollment, or is enrolled, and in good standing. I further certify that the School will provide the loan holder or servicer subsequent information regarding the student's whereabouts, if requested by the loan holder or servicer. I further certify that the institution will comply with all applicable policies and provisions, and that the information provided in Sections A, B and C, is true, complete and correct to the best of my knowledge and belief, and that all funds over and above the Tuition Amount requested in Section B does not exceed the Cost of Attendance determined in accordance with the federal Higher Education Act.

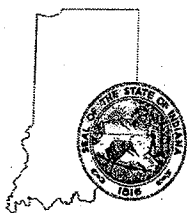
Authorized school official Sign and date: Print or type name and title: DARRYL LLOYD

Borrower Return Application To: SLM Financial Corporation • PO Box 470 • Marlton, NJ 08053-0470

EDOC RETURN
SLM_DAE_0A06_0002

Loan Program w

(Copyright Sallie Mae 2000-2007)



STATE OF INDIANA

COMMISSION ON
PROPRIETARY EDUCATION

302 West Washington Street
Room E201
Indianapolis, IN 46204-2767
<http://www.in.gov/cope>

June 12, 2008

CERTIFIED MAIL

MR JEFF HECK
ATTORNEY-AT-LAW
13295 N ILLINOIS STE 227
P O BOX 4590
CARMEL IN 46032-3021

Dear Mr. Heck:

A copy of a written complaint pertaining to **Professional Career Academy** was submitted to the commission by **Everett Keen**, a former student enrolled at this institution who allegedly was never able to take one class.

You are directed to review the allegations addressed in the complaint and to respond in writing by **Thursday, June 26, 2008**. If pertinent to this case, documentation should be provided to support your position.

Sincerely,

REBECCA CARTER
Director of Regulatory Compliance

RLC/me

Enclosure: complaint form from Everett Keen

Heck Law Offices, P.C.

13295 Illinois St. • Suite 227 • Carmel, IN 46032-3021
Phone (317) 822-8220 • Fax (317) 536-3210 • www.hecklaw.com

Tuesday, November 20, 2007

Wrong Date
←

Rebecca Carter
Director of Regulatory Compliance
State of Indiana
Commission on Propriety Education
302 West Washington St, Rm E201
Indianapolis, IN 46204-2767

My Client: Professional Career Academy, LLC (PCA)
Student: Everett Keen
School: Professional Career Academy, LLC (PCA)
Re: Response To Your Letter of June 12, 2008

Dear Ms. Carter:

This letter is to serve as response to your letter, dated June 12, 2008, in regard to the complaint received from Everett Keen. Please know that your letter was addressed to an improper address for my office. Because of this error, we have only received your letter on the afternoon of June 24, 2008. Your letter directs that a written response is due by Thursday, June 26, 2008.

I have not had the opportunity to investigate the claims made by Mr. Keen in his complaint. Accordingly, I am therefore requesting a reasonable extension of time in which to investigate his claims and respond. Absent this extension of time, I will not be in a position to adequately defend my client, Professional Career Academy, LLC.

Based on the documentation you have provided to Mr. Lloyd, it is my present understanding that Mr. Keen has filed a complaint with the State of Indiana, Commission of Proprietary Education requesting a full refund of all monies he has paid to date and rescinding the contract he entered into with respect to his alleged student loan. The Record of Complaint does not state what program Mr. Keen allegedly signed up for. This will obviously require some investigation before we are in a position to adequately respond. We are therefore asking for an extension of thirty (30) days in which to respond to Mr. Keen's allegations.

Strategic Planning For:

• Asset Protection • Estates • Probate • Taxes • Charitable Giving • Retirement • Wealth Accumulation •
— Also Elder Law, Construction Litigation, Business Law —

Please call me if you have any questions or concerns or if I have misunderstood any issue. I look forward to talking to you soon.

Very Truly Yours,

HECK LAW OFFICES, P.C.

By:


Jeffrey D. Heck
Attorney-at-Law

JDH/md

Cc: Darnell Lloyd, President PCA

From: Carter, Rebecca [<mailto:rcarter@cpe.IN.gov>]

Sent: Wednesday, June 25, 2008 2:59 PM

To: Jeffrey D. Heck

Subject:

Dear Jeff:

You may have until Wednesday, June 9, 2008 to respond to the Everett Keen formal complaint. I have also left a message for Mr. Keen to provide me with the name of the program that he enrolled in at Professional Career Academy. He stated that he did not receive a copy of his contract that was signed in a meeting with Darnell, but he should remember the program that he was wanting to take.

Rebecca Carter

Dear Ms Carter,
Thank you for your prompt reply. Unfortunately, I still have a question: did you mean Wednesday, July 9, 2008, instead of "June"?

I'll presume, yes, since you clearly did not mean a date in the past.
Thank you so much for your cooperation.

Very Truly Yours,
Jeffrey D. Heck
Attorney-at-Law
Heck Law Offices, P.C.
(317)822-8220
(317)536-3210 Fax

WARNING: This e-mail may contain a s/MIME file attachment for encryption and identification purposes. It is primarily for email programs like Outlook to use. You do not need to open it for most purposes.

NOTICE: This is a communication from an attorney-at-law. Information contained in this e-mail may be subject to attorney-client privilege and rules of confidentiality. If you are not the intended recipient of this e-mail, please contact the person above and inform the office of the error and destroy the

9/17/2008

From: Carter, Rebecca [mailto:rcarter@cpe.IN.gov]
Sent: Tuesday, July 29, 2008 11:32 AM
To: Jeffrey D. Heck
Cc: Miller, Ross; jankreusch@aol.com
Subject: EVERETT KEEN VS PCA

Dear Jeffrey:

As noted in my email sent to you on June 25, 2008, I gave you an extension until (incorrectly noted as June 9, 2008) July 9, 2008 as you presumed in your response dated the same day. It is now Tuesday, July 29, 2008 and I still have **not** received a written response from you pertaining to Everett Keen's formal complaint pertaining to Professional Career Institute.

Please notify me asap concerning your delay.

Rebecca Carter
Director of Regulatory Compliance
Commission on Proprietary Education

✓
From: Jeffrey D. Heck [mailto:jheck@hecklaw.com]
Sent: Tuesday, July 29, 2008 11:42 AM
To: Carter, Rebecca
Cc: dlloyd@professionalcareeracademy.com
Subject: RE: EVERETT KEEN VS PCA

Dear Ms. Carter,

My apologies. I met with Darryl yesterday and requested the documentation that I need. He has not been able to find the file in the moving boxes. I went out to the file location and looked through the file drawers for the file. Darryl apparently laid it aside due to this dispute and now can't remember where he put it.

Darryl is going to be moving boxes around this week, so I am hoping that it turns up in the next day or two.

As you remember after the hearing on July 11, 2008 on another matter, I had asked you for an extension through July 18, 2008 due to these problems, to which you orally consented.

At this point, I would request another and final 48-hour extension to respond. If we don't have the files in hand and an answer to you by the close of business Thursday, we will have to prepare a written response without supporting documentation. That is not my preference, but it is all I can reasonably propose at the moment.

Thank you for your understanding on this matter.

Very Truly Yours,
Jeffrey D. Heck
Attorney-at-Law
Heck Law Offices, P.C.
(317)822-8220
(317)536-3210 Fax

WARNING: This e-mail may contain a s/MIME file attachment for encryption and identification purposes. It is primarily for email programs like Outlook to use. You do not need to open it for most purposes.

NOTICE: This is a communication from an attorney-at-law. Information contained in this e-mail may be subject to attorney-client privilege and rules of confidentiality. If you are not the intended recipient of this e-mail, please contact the person above and inform the office of the error and destroy the communication, including any paper or electronic copies.

Please note: Effective June 16, 2007, our offices are moving upstairs. The address is 13295 Illinois St., Ste. 227 Carmel, IN 46032-3021. Please update your records accordingly.

9/17/2008

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8/19/08

Sent To

Jeffrey Hesk - PCA
 Street Apt No.
 or PO Box No.
 City, State, Zip+4 (Everett, WA)

PS Form 3800, August 2006 See Reverse for Instructions

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:

Mr. Jeffrey D. Hesk
 Attorney-At-Law
 13295 Illinois St.
 Suite 227
 Carmel, IN 46032

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery 8-19

D. Is delivery address different from item 1? ☐ Yes ☐ No

IF YES, enter delivery address below:
 SEP 23 2008
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3. Service Type

☐ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

7007 3020 0000 7751 7552

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540



STATE OF INDIANA

COMMISSION ON
PROPRIETARY EDUCATION

302 West Washington Street
Room E201
Indianapolis, IN 46204-2767
<http://www.in.gov/cope>

September 18, 2008

CERTIFIED MAIL

MR JEFFREY D HECK
ATTORNEY-AT-LAW
13295 ILLINOIS ST
STE 227
CARMEL IN 46032-3021

Dear Mr. Heck:

The commission staff has completed its determination concerning the formal complaint that was submitted by Everett Keen pertaining to Professional Career Academy (PCA).

Due to the fact that Mr. Keen enrolled as a student in the HVAC program at Professional Career Academy and took out a Sallie Mae private loan to pay for his training designated on the loan papers and never received such training; and, also due to the fact that no further written response was received from a representative of Professional Career Academy after your correspondence originally dated 'Tuesday, November 20, 2007', it has been determined that PCA must repay Mr. Keen's Sallie Mae loan and any monies directly to Mr. Keen that he has paid directly due to his current financial obligation.

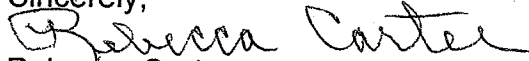
This Sallie Mae loan must be repaid in full by no later than October 18, 2008. Verification of this repayment should be sent to Jodi White, Director of Administration with the Indiana Commission on Proprietary Education.

If you desire administrative review of this decision, you must file a written petition at the above address with the Indiana Commission on Proprietary Education

identifying the reason for the review. This petition must be postmarked by no later than twenty (20) days from the date of this notice.

If you file a petition for review, a proceeding will be scheduled and conducted by an administrative law judge appointed by the commission. If you do not file a petition for review within that time period, then this action will be final without further review..

Sincerely,

A handwritten signature in cursive script that reads "Rebecca Carter".

Rebecca Carter
Director of Regulatory Compliance

RC/me

Cc: Everett Keen

INDIANA COMMISSION ON PROPRIETARY EDUCATION

Board of Commissioners Meeting Memorandum

Date: December 10, 2008

From: Jodi White, Administrative Director

Subject: Formal Hearing – Findings of Facts, Conclusions of Law

Staff recommendation

The commission staff recommends that the Board of Commissioners adopt the Conclusions of Law of the Administrative Law Judge, Janice E. Kreuscher, in the case of:

Professional Career Academy
Vs.
Alona Ragland

The commissioners also have the option to modify, or order a new hearing in the matter.

Background

A final evidentiary hearing was held before the Administrative Law Judge (ALJ), Janice E. Kruescher on July 11, 2008. Petitioner Professional Career Academy was represented by attorney Jeffrey Heck and Daryl (Darnell) Lloyd, director of the school. Respondent Alona Ragland appeared pro se.

Ms. Ragland alleged Mr. Daryl Lloyd misrepresented the school, quality of education, instructors, and method of instruction when she enrolled at Professional Career Academy. She sought a full refund of her tuition.

The ALJ concluded that the respondent, who had the burden of proof in the matter and was required to prove her case by a preponderance of the evidence presented at the hearing, failed to prove that Professional Career Academy had violated the statutory standards, or any rule or law governing the postsecondary proprietary educational institutions or a duty owed students at such institutions.

The ALJ found no evidentiary or legal basis to impose sanctions on PCA or to order a refund to Ms. Ragland.

Supporting Documentation

1. Notice of Submission
2. Recommended Findings of Fact
3. Conclusions of Law

PCA vs Ragland

BEFORE THE INDIANA COMMISSION
ON PROPRIETARY EDUCATION

PROFESSIONAL CAREER ACADEMY,)
Petitioner,)

v.)

No. 2008-CPE-002

ALONA RAGLAND,)
Respondent.)

NOTICE OF SUBMISSION

The attached Recommended Findings of Fact and Conclusions of Law have been submitted to the Commission on Proprietary Education.

Should you object to the Recommendation and oppose adoption of the Proposed Order, you must submit a written objection pursuant to Ind. Code §§ 4-21.5-3-29 within fifteen (15) days of receipt of this notice to the Commission on Proprietary Education, 302 West Washington St., Room E201, Indianapolis, Ind. 46204-2767. Objections must be in writing and must identify the basis of the objection with reasonable particularity

Respectfully submitted,

Date:

Sept. 16, 2008

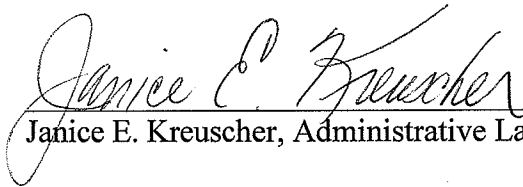
Janice E. Kreuscher
Janice E. Kreuscher
Administrative Law Judge

Certificate of Service

I certify on September 16, 2008, I have served the foregoing documents by first class mail on the following persons at the addresses shown below:

Alona Ragland
1142 North Tremont St.
Indianapolis, Ind. 46222

Jeffrey D. Heck
HECK LAW OFFICES, P.C.
13295 Illinois St., Suite 227
Carmel, Ind. 46032-3021


Janice E. Kreuscher, Administrative Law Judge

BEFORE THE INDIANA COMMISSION
ON PROPRIETARY EDUCATION

PROFESSIONAL CAREER ACADEMY,)
Petitioner,)
)
v.)
)
ALONA RAGLAND,)
Respondent.)

No. 2008-CPE-002

RECOMMENDED FINDINGS OF FACT AND CONCLUSIONS OF LAW

This matter comes before the Indiana Commission on Proprietary Education ("Commission") on Petitioner's Request for Hearing filed in this cause on January 22, 2008. Janice E. Kreuscher was appointed as the Administrative Law Judge ("ALJ") in this matter in January 30, 2008. A final evidentiary hearing was held before the ALJ on July 11, 2008. Petitioner Professional Career Academy was represented by attorney Jeffrey Heck and Daryl Darnell Lloyd, director of the school. Respondent Alona Raglund appeared pro se. The ALJ, having fully considered the filings, testimony and evidence presented at the hearing, now makes the following recommended finding of facts, conclusions of law and resolution of the dispute.

Findings of Fact

Statutory and Regulatory Scheme

1. This proceeding is governed by the Administrative Orders and Procedures Act ["AOPA"]. Ind. Code §§ 4-21.5 *et seq.*
2. The Commission is charged with the duty and responsibility of regulating privately owned postsecondary vocational educational institutions. Ind. Code §§ 21-17 *et seq.*, formerly codified at §§ 20-12 and 20-1.

3. The Commission is charged with enforcing statutory standards set out in Ind. Code §§ 21-17-3-5(c), -13 and -18 *et seq* and resolving disputes between the institutions and students who claim they were damaged by noncompliance with those standards. If claims are not resolved informally, the Commission may conduct a hearing pursuant to AOPA. 570 IAC 1-6-3, 1-4-10; Ind. Code § 4-21.5-3.

4. The Board is empowered to appoint an administrative law judge to conduct hearings on its behalf. Ind. Code § 4-21.5-3-9(a)(3).

Procedural Background

5. On October 22, 2007, Ms. Raglund filed a Complaint with the Commission pursuant to 570 IAC 1-14-10, claiming the Professional Career Academy had violated the statutory standards by misrepresenting availability of instructors, not providing instructors for some of the courses and failing to provide necessary instructional materials. She sought a cancellation of a \$5,000 loan that paid for her coursework or a transfer of the funds paid PCA to another school when she could complete the coursework.

6. After notifying PCA of the charges and reviewing the materials submitted by Respondent, the Commission's director of regulatory compliance determined that Ms. Raglund was entitled to relief and refund. Her decision was complicated in that PCA and its attorney did not provide her with requested documents. The determination was issued on or about December 28, 2007.

7. This proceeding is essentially an appeal from that determination. The actual proceeding, however, was conducted *de novo* and neither party was restricted to allegations or evidence included in the initial submissions before the Commission staff.

8. Essentially, Ms. Raglund is seeking a refund of the tuition paid to the school on the basis that she was not provided the instruction and educational materials she expected for a Medical Billing and Coding course she enrolled in. She contends that registrar employee and advertising materials lead her to believe that she would have an instructor for her studies and that part of the course was instead an on-line course she could not access. PCA contends that no misrepresentations were made, that Ms. Raglund was provided an instructor for much of the program but that part of the program was always intended to be provided online and that Ms. Raglund failed to complete the class that she could have before withdrawing from the school in October 2007.

Factual Background

9. In July 2007 Ms. Raglund enrolled in a 300-hour program at PCA in Indianapolis, Ind., in medical billing and coding. At the time she enrolled, she took out a \$5,000 loan to pay for the instruction.

10. During the next two months, Ms. Raglund studied with Leah Nelson, an instructor who taught typing, general office skills and computer skills. Ms. Raglund has no complaint about this part of the program.

11. After completing that portion of her studies, Ms. Raglund encountered difficulties. The coding portion of the course was not taught locally but online. This apparently came as an unwelcome surprise to Ms. Raglund and she had problems getting into the website of the online provider and navigating the instruction. The difficulties were compounded by password issues and lack of information about accessing this part of the course. In addition, Ms. Raglund began getting bills from Ashworth University, the online provider.

12. Ms. Raglund expressed her concerns and transferred to a "medical transcription" course instead with less stringent requirements. She also received a \$1,000 refund as the transcription course cost less than the billing and coding course. The transcription course, however, also had an online component which she did not complete when she ceased going to PCA in early October. She deposited the \$1,000 in her bank account and, at the time of the hearing, had not used it to pay off any portion of the Sallie Mae loan she had taken out to pay for her instruction.

13. Upon leaving PCA, she filed a complaint with the Commission seeking a refund of her tuition and cost. Any refund would theoretically go toward paying off the loan she had taken out that was co-signed by her mother.

14. During the hearing, Ms. Raglund contended she had been misled but introduced no documents describing the courses. Her corroborating witness, Ms. Nelson, testified by telephone and described a less than ideal educational setting without clear instruction about using the online portion of the coursework. At the time Ms. Nelson was affiliated with PCA, however, she was not responsible for that portion of the instruction and she herself was a short-term employee without knowledge of PCA's representations to Ms. Raglund.

15. Lloyd, PCA's director, stated that there was an online component to both courses Ms. Raglund enrolledⁱⁿ and that some of the books she complained of not receiving are delivered to students only after they complete the online portion of the instruction. He also testified that the online instruction was still available to Ms. Raglund and could be completed at any time she wished from any location. He contended that persons wishing to enroll in the course Ms. Raglund enrolled in are always informed about the online component.

16. The evidence at the hearing certainly demonstrates that there was a misunderstanding between PCA and Ms. Raglund about what was required and expected. It also demonstrates that a former instructor and former student were dissatisfied with PCA. It does not, however, prove that there actual misrepresentations.

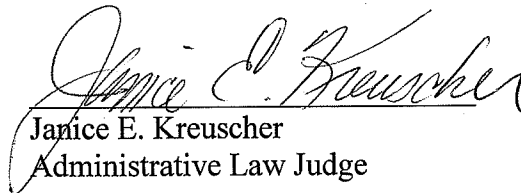
17. While Ms. Raglund appears to be sincerely dissatisfied with the education and lack of support offered by PCA, the evidence produced does not demonstrate a knowing violation of statute or rule regulating the standards for postsecondary proprietary institutions or a violation of duties owed by those institutions to their students or the State.

Conclusions of Law

1. This proceeding is properly before the ALJ, pursuant to Ind. Code §§ 4-21.5 *et seq*, and she has the authority and jurisdiction to hear and decide this case.
2. No procedural defect occurred in the hearing process.
3. Respondent has the burden of proof in this matter and is required to prove her case by a preponderance of the evidence presented at the hearing.
4. In order to prove her case, Respondent was required to show that PCA violated the statutory standards.
5. Respondent failed to meet her burden in this case of proving by a preponderance of evidence that PCA violated a rule or law governing the postsecondary proprietary educational institutions or a duty owed students at such institutions.
6. Therefore, there is no evidentiary or legal basis to impose sanctions on PCA or to order a refund to Ms. Raglund..

7. All Findings of Fact which can be deemed Conclusions of Law will be considered Conclusions of Law, and all Conclusions of Law which can be deemed Findings of Fact will be considered Findings of Fact.

Respectfully submitted,


Janice E. Kreuscher
Administrative Law Judge

Date: Sept. 16, 2008

COMMISSION ACTION

Approved and Adopted this _____ day of _____ 2008.

for the Commission

INDIANA COMMISSION ON PROPRIETARY EDUCATION

Board of Commissioners Meeting Memorandum

Date: December 10, 2008

From: Jodi White, Administrative Director

Subject: Formal Hearing – Findings of Facts and Conclusions of Law

Staff recommendation

The commission staff recommends that the Board of Commissioners adopt the Conclusions of Law of the Administrative Law Judge, Janice E. Kreuscher in the case of:

Ashley Logan
Vs.
Center for Vital Living School of Massage Therapy

The commissioners also have the option to modify, or order a new hearing in the matter.

Background

A final evidentiary hearing was held before the Administrative Law Judge (ALJ), Janice E. Kruescher on July 14, 2008. Petitioner, Ashley Logan appeared pro se. Center for Vital Living School of Massage Therapy [“School” or “Center”] was represented by Janet Carroll, its former director of education.

Ms. Logan filed a complaint with the Commission on Proprietary Education claiming the Center had violated the statutory standards by having dropped her from the program denying her a refund in the amount of \$5549.28 and leaving her a balance owed of \$2294.71. She sought cancellation of the \$2294.71 due and a refund of the \$5549.28 already paid.

Rebecca Carter, Director of Regulatory Compliance for the Commission on Proprietary Education, reviewed all documentation from both parties and determined that Ms. Logan was not entitled to relief.

These proceedings were an appeal of that determination.

The ALJ found that the delay of the school to notify Ms. Logan that she was dropped from the program for academic failure was unfortunate, but did not violate any statutory obligation and that circumstance does not entitle Ms. Logan to a refund. In fact, the evidence revealed that the school was within its rights by dropping Ms. Logan from the program because both her attendance and academic records did not meet the academic requirements of the program. In accordance with the refund policy, Ms. Logan is not entitled to a refund because she completed more than 60% of the program.

The ALJ concluded that the petitioner, who had the burden of proof in the matter and was required to prove her case by a preponderance of the evidence presented at the hearing, failed to prove that Center for Vital Living School of Massage had violated the statutory standards, or any rule or law governing the postsecondary proprietary educational institutions or a duty owed students at such institutions.

The ALJ found no evidentiary or legal basis to impose sanctions on the school or to order a refund to Ms. Ragland. The evidence revealed that Ms. Logan, in fact, owes the school or its former owner the sum of \$2294.71.

Supporting Documentation

1. Notice of Submission
2. Recommended Findings of Fact
3. Conclusions of Law

Logan vs Center for Vital Living School of Massage

White, Jodi

From: White, Jodi
Sent: Wednesday, September 17, 2008 2:37 PM
To: 'jankreusch@aol.com'
Subject: Logan vs. Center for Vital Living

Jan,

In your findings in the above case you identify the school as Professional Career Academy rather than school for Vital Living on page 4 "procedural background". Do you need to correct that page and replace what I have before it goes before the Board for adoption in December?

Jodi White
Administrative Director
317 232-1326
jwhite@cpe.in.gov



9/17/2008

BEFORE THE INDIANA COMMISSION
ON PROPRIETARY EDUCATION

ASHLEY D. LOGAN,
Petitioner,

v.

CENTER FOR VITAL LIVING
SCHOOL OF MASSAGE THERAPY,
Respondent.

No. 2008-CPE-001

NOTICE OF SUBMISSION

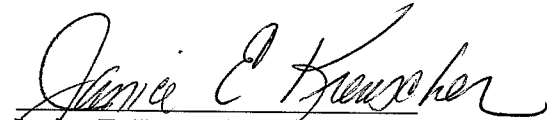
The attached Recommended Findings of Fact and Conclusions of Law have been submitted to the Commission on Proprietary Education.

Should you object to the Recommendation and oppose adoption of the Proposed Order, you must submit a written objection pursuant to Ind. Code §§ 4-21.5-3-29 within fifteen (15) days of receipt of this notice to the Commission on Proprietary Education, 302 West Washington St., Room E201, Indianapolis, Ind. 46204-2767. Objections must be in writing and must identify the basis of the objection with reasonable particularity

Respectfully submitted,

Date:

Sept. 16, 2008

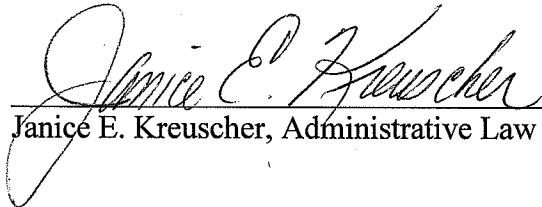

Janice E. Kreuzer
Administrative Law Judge

Certificate of Service

I certify on September 16 2008, I have served the foregoing documents by first class mail on the following persons at the addresses shown below:

Ashley D. Logan
4542 Melborne Road.
Indianapolis, Ind. 46228

Center for Vital Living School of Massage Therapy
Att'n Janet Carroll, Education Director
6109 West Jefferson Blvd.
Fort Wayne, Ind. 46804


Janice E. Kreuscher, Administrative Law Judge

BEFORE THE INDIANA COMMISSION
ON PROPRIETARY EDUCATION

ASHLEY D. LOGAN,
Petitioner,

v.

CENTER FOR VITAL LIVING
SCHOOL OF MASSAGE THERAPY,
Respondent.

No. 2008-CPE-001

RECOMMENDED FINDINGS OF FACT AND CONCLUSIONS OF LAW

This matter comes before the Indiana Commission on Proprietary Education (“Commission”) on Petitioner’s Request for Hearing filed in this cause on January 2, 2008. Janice E. Kreuscher was appointed as the Administrative Law Judge (“ALJ”) in this matter on or about January 8, 2008. A final evidentiary hearing was held before the ALJ on July 14, 2008. Petitioner Ashley Logan appeared pro se. Respondent Center for Vital Living School of Massage Therapy [“School” or “Center”] was represented by Janet Carroll, its former education director. The ALJ, having fully considered the filings, testimony and evidence presented at the hearing, now makes the following recommended finding of facts, conclusions of law and resolution of the dispute.

Findings of Fact

Statutory and Regulatory Scheme

1. This proceeding is governed by the Administrative Orders and Procedures Act [“AOPA”]. Ind. Code §§ 4-21.5 *et seq.*

2. The Commission is charged with the duty and responsibility of regulating privately owned postsecondary vocational educational institutions. Ind. Code §§ 21-17 *et seq.*, formerly codified at §§ 20-12 and 20-1.

3. The Commission is charged with enforcing statutory standards set out in Ind. Code §§ 21-17-3-5(c), -13 and -18 *et seq* and resolving disputes between the institutions and students who claim they were damaged by noncompliance with those standards. If claims are not resolved informally, the Commission may conduct a hearing pursuant to AOPA. 570 IAC 1-6-3, 1-4-10; Ind. Code § 4-21.5-3.

4. The Board is empowered to appoint an administrative law judge to conduct hearings on its behalf. Ind. Code § 4-21.5-3-9(a)(3).

Procedural Background

5. On October 29, 2007, Ms. Logan filed a Complaint with the Commission pursuant to 570 IAC 1-14-10, claiming the ^{Carter}~~Professional Career Academy~~ had violated the statutory standards by having dropped her from the program denying her a refund in the amount of \$5,549.28 and leaving her a balance owed of \$2,294.71. She sought a cancellation of a \$2,294.71 due and a refund of the \$5,549.28 she (or her mother) had paid.

6. After notifying the School of the charges and reviewing the materials submitted by ^{Carter}~~Ms. Carroll~~, the Commission's director of regulatory compliance determined that Ms. Logan was not entitled to relief. The determination was issued on or about December 3, 2007.

7. This proceeding is essentially an appeal from that determination. The actual proceeding, however, was conducted *de novo* and neither party was restricted to allegations or evidence included in the initial submissions before the Commission staff.

8. Essentially, Ms. Logan is seeking a refund of the tuition paid to the school on the basis that she should not have been dropped from the program and was entitled to a refund when the school closed in late April 2007. The School contends that Ms. Logan had failed required courses and was scheduled to be informed that she was being dropped from the program the evening the announcement was being made that the School was closing and that Ms. Logan was not entitled to a refund but instead owes the owner of the school for the unpaid amount of the program.

Factual Background

9. In January 2006 Ms. Logan enrolled in a massage therapy program at the School in Fort Wayne, Ind. Her mother, Maryanne Logan, co-signed the contract and paid the tuition on monthly installments through automatic charges to a credit card. As a part-time student, she was scheduled to complete the program in two years.

10. At the time of her enrollment, Ms. Logan received a copy of the School handbook explaining the policy on retaking exams and that failure to maintain a 75 percent average in a course would be grounds for dismissal from the program and the School's refund policy setting out that no refund was due for students who had completed sixty percent (60%) or more of the program.

11. Ms. Logan apparently struggled with parts of the program and was on probationary status academically in early April 2007. She had been on probationary status because of attendance issues since July 2006 and was on a "last chance" agreement academically since late December 2006.

12. In mid-April she failed to take a required Anatomy test. She had until April 17th to take a makeup test and did not. Because her failure to take the test made it statistically

impossible for her to pass the course, School personnel decided on April 18, 2007, to drop her from the program. Ordinarily, Ms. Carroll would have informed her that she was being dropped from the program on April 23, the next scheduled time she would be at the School. Because she would have completed 68 percent of her studies, however, she would not have received a refund, except for some textbooks that were paid for and not received.

13. Mid-April 2007 was not, however, an ordinary time for the School and persons connected with it. Prior to mid-April the School's owner had filed personal bankruptcy and in mid-April 2007, he decided to close the School. On April 19th, Ms. Carroll was informed the School was being closed the next week and that she was to notify the students.

14. On April 23rd, Ms. Carroll informed the students of the closing and that the School was attempting to make arrangements to refund tuition or allow students to graduate early. She made no reference to Ms. Logan's particular status. ~~While the documents indicate that Ms. Logan was afforded an opportunity to take a test to get credit of the class and did not.~~

15. Except for some non-substantive email exchanges in May, there was no personal contact between Ms. Logan and the School until early June. There is no question that this was a stressful and confusing time for Ms. Carroll and the students. It appears that some students received refunds and others graduated early or were placed in other programs.

15. On June 4th, Ms. Carroll informed Ms. Logan that she would not be getting a refund and instead owed the School money because she had been dropped from the program in mid-April. Ms. Logan now questions why she was not informed of that early and disputes the legitimacy of having been dropped from the program.

16. During the hearing, Ms. Logan correctly criticized the School and its personnel for not having notified her that she had been dropped from the program. She is somewhat naïve,

however, if she believes that her personal situation should have taken precedence over the School closing in late April or that the delay in notifying her excuses her academic issues and failure to satisfy the "last chance" agreement.

17. With the exception of not having notified Ms. Logan earlier, the School appears to have satisfied its obligations to the students and the State. The delay in notifying Ms. Logan, though unfortunate, is understandable, does not violate any statutory obligation and does not entitle Ms. Logan (or her mother) to relief.

18. A review of the evidence also reveals that the School was within its rights in dropping Ms. Logan from the program because both her attendance and academic records did not satisfy the academic requirements of the program. Because that dismissal did not occur until April 2007, however, more than 60 percent of the coursework had been done and not refund or cancellation of fees is warranted.

Conclusions of Law

1. This proceeding is properly before the ALJ, pursuant to Ind. Code §§ 4-21.5 *et seq*, and she has the authority and jurisdiction to hear and decide this case.

2. No procedural defect occurred in the hearing process.

3. Petitioner has the burden of proof in this matter and is required to prove her case by a preponderance of the evidence presented at the hearing.

4. In order to prove her case, Petitioner was required to show that the School violated the statutory standards.

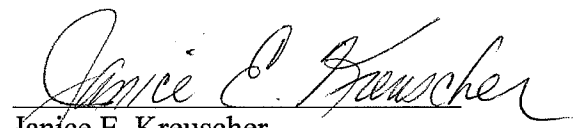
5. Petitioner failed to meet her burden in this case of proving by a preponderance of evidence that the School violated a rule or law governing the postsecondary proprietary educational institutions or a duty owed students at such institutions.

6 Therefore, there is no evidentiary or legal basis to impose sanctions on the School or to order a refund to Ms. Logan.

7. Instead the evidence revealed that Ms. Logan in fact owes the School or its former owner the sum of \$2,294.71.

7. All Findings of Fact which can be deemed Conclusions of Law will be considered Conclusions of Law, and all Conclusions of Law which can be deemed Findings of Fact will be considered Findings of Fact.

Respectfully submitted,


Janice E. Kreuscher
Administrative Law Judge

Date: Sept. 16, 2008

COMMISSION ACTION

Approved and Adopted this _____ day of _____ 2008.

for the Commission