

EXHIBIT 1

1 D R A F T

2

3 THEREUPON,

4

ROBERT ADLER,

5 having been first duly sworn or affirmed, was examined

6 and testified as follows:

7

THE WITNESS: Yes.

8

DIRECT EXAMINATION

9

BY MR. TURI:

10 Q. Good morning, Mr. Adler. State your name for
11 the record.

12 A. Robert Adler.

13 Q. Can you please spell it out.

14 A. R-o-b-e-r-t A-d-l-e-r.

15 Q. What's your current business address?

16 A. My current business address, well, my campus
17 address is out of the West Palm Beach campus. I don't
18 have that address in front of me.

19 Q. Okay. That's where you work from?

20 A. Yes. That's where I work from.

21 Q. Mr. Adler, have you ever been deposed before?

22 A. Yes. Many, many years ago.

23 Q. About how long ago was that?

24 A. About 25 years ago.

25 Q. What was the case, if you recall?

1 A. It was with my employer, PepsiCo at the time.
2 It was an employment-related case, but I don't recall
3 the specifics.

4 Q. Okay. And were you deposed in your personal
5 capacity, or were you representing the corporation in
6 a deposition like the one today?

7 A. I was deposed as a witness in a complaint in a
8 related case.

9 Q. So are you generally familiar with how a
10 deposition works?

11 A. Generally, yes.

12 Q. Generally. Okay. So, Mr. Adler, do you
13 understand that your answers today are made under
14 penalty of perjury like you're sitting in a courtroom?

15 A. Yes, I do.

16 Q. Okay. So this particular deposition, kind of
17 like I just mentioned, is taken pursuant to Rule
18 30(b)(6) of the Federal Rules of Civil Procedure. Are
19 you familiar with what that means?

20 A. Yes.

21 Q. So you understand that this is a deposition
22 of the corporation IEC US Holdings, Inc., and that the
23 answers you give on the subjects that were noticed to
24 your attorney will be imputed to the company IEC US
25 Holdings, Inc.?

1 A. Yes.

2 Q. So I'm going to ask you questions today on
3 the subjects that your attorneys received notice on,
4 on the 30(b)(6) notice. If you don't understand a
5 question I ask or it's confusing, please just let me
6 know. I'll do my best to rephrase it for you in a way
7 that makes sense. Otherwise, if you go ahead and
8 answer the question, I'm going to assume that you
9 understood the question.

10 MR. OPRISON: I'm sorry, I don't mean to
11 interrupt. I would like to put on the record,
12 though, that the noticed topics were subject to
13 objections that we sent in on June 14th by letter,
14 and he's prepared to testify subject to those
15 limitations.

16 MR. TURI: Okay.

17 BY MR. TURI:

18 Q. So going back to where I was, if you could
19 please avoid engaging in nonverbal responses like
20 shaking your head or nodding or ambiguous responses
21 like uh-uh or mm-hmm. That's going to be very
22 difficult for the reporter, and when we read the
23 transcript we're not going to know what that means.
24 Is that okay?

25 A. Yes.

1 Q. We're going to do our best to take regular
2 breaks, maybe every hour, hour and a half. We'll also
3 take a longer lunch break. If at any point you want
4 to stop, use the restroom, take a breather, just let
5 me know. Just try to avoid it in the middle of an
6 answer to a specific question. But otherwise, happy
7 to accommodate you whenever you want to take a rest.

8 After we finish you will have the opportunity
9 to review the transcript of this deposition. You are
10 allowed to correct things that you say. But
11 understand that if you change substantive parts of
12 your testimony, negative inference could be drawn upon
13 your credibility. Do you understand that?

14 A. I understand.

15 Q. Who is your current employer?

16 A. IEC Corporation.

17 Q. Are you employed by IEC US Holdings, Inc.?

18 A. I'm employed by IEC Corporation since August
19 2018.

20 Q. And what is your current job title at
21 IEC Corporation?

22 A. Regional vice president of operations.

23 Q. How long have you had that title?

24 A. Since August of 2018.

25 Q. So you were hired as regional vice president

1 of operations?

2 A. Yes, sir.

3 Q. Okay. Mr. Adler, how long have you worked in
4 the field of higher education?

5 A. A number of years. Give me time to add it up,
6 so.

7 Q. Yeah.

8 A. So 2001 is when I started my career in
9 for-profit higher education, and I've been directly or
10 indirectly employed since then in this industry.

11 Q. Could you please take me through who your
12 employers have been in the industry?

13 A. Yes. University of Phoenix, Universal
14 Technical Institute, Kaplan Higher Education and IEC
15 Corporation.

16 Q. What was your role at the University of
17 Phoenix?

18 A. Regional director of operations and vice
19 president of operations as well. So I had two titles
20 during my time there.

21 Q. And what about the second position?

22 A. Universal Technical Institute, my titles
23 included campus president and senior vice president of
24 admissions.

25 Q. What campus was that?

1 A. Campus president was in Phoenix -- well, I had
2 two assignments. So Norwood, Massachusetts,
3 initially, and then I transferred to Phoenix, Arizona,
4 and then when I became senior vice president of
5 admissions, I worked out of the corporate office in
6 Phoenix, Arizona.

7 Q. And what was your role at Kaplan?

8 A. Regional vice president of operations, same
9 title.

10 Q. And what was the region, just out of
11 curiosity?

12 A. At that time it was Southern California.

13 Q. Mr. Adler, is there anybody else in the room
14 with you right now other than your attorney,
15 Mr. Oprison?

16 A. Aaron Mortenson, corporate counsel.

17 Q. Okay. I'm going to ask you a couple of
18 questions about your preparation for this deposition.
19 Just to be clear, at no point do I want you to reveal
20 any discussion that you've had with your attorneys.
21 That information is privileged. You should not say
22 it. To the extent you can answer, what did you do to
23 prepare for your deposition today?

24 A. Met with counsel, and I had one meeting with
25 our senior director of marketing, Esther Duong.

1 Q. And for approximately how long did those
2 meetings last?

3 A. With counsel?

4 Q. Mm-hmm.

5 A. With counsel, approximately 16 hours; with
6 Esther Duong, approximately 30 minutes.

7 Q. Do you have a cellphone on you?

8 A. Yes. It's behind me.

9 Q. Yeah, I just ask that you not keep it in
10 front of you. I think I'm going to go straight into
11 the 30(b)(6) notice, that's going to be Exhibit 1.

12 Your counsel mentioned that he was able to
13 put that in front of you, but I'm also happy to screen
14 share it, if you would like to have it up on the
15 screen.

16 A. No, sir. I'm fine with the copy that I have.

17 Q. Okay. So I'll be looking at the same copy.

18 MR. TURI: This is going to be deposition
19 Exhibit No. 1.

20 (Exhibit No. 1, Deposition Notice, was marked
21 for identification.)

22 BY MR. TURI:

23 Q. I'm reading from page 1, which says Plaintiff
24 Kareem Britt's Notice of taking Zoom Deposition of
25 Defendant IEC US Holdings, Inc. d/b/a Florida Career

1 College's 30(b)(6) representative. Do you see that?

2 A. Yes.

3 Q. Okay. Speaking of which, I forgot to
4 introduce myself. My name is Michael Turi. I
5 represent plaintiff Kareem Britt and Plaintiff Sharon
6 Henry. I'm an attorney at the Legal Services Center
7 at Harvard Law School. I apologize for forgetting
8 that stuff.

9 I am going to scroll down to page 5 of this
10 document. I'll submit to you that page 2 is just a
11 signature page of the attorneys representing
12 plaintiffs. Page 3 is a certificate of service to
13 your attorneys, and page 4 lists definitions at issue
14 in this document.

15 Have you seen this document before?

16 A. Yes.

17 Q. Have you read through it in full?

18 A. Yes.

19 Q. So again on page 5 of the document titled
20 Matters on Which the Designated Person Or Persons Must
21 Testify, Topic 1 is FCC's Practices and Policies
22 Regarding Admissions at All FCC Campuses including --
23 and then there are subheadings.

24 Do you understand FCC to refer to Florida
25 Career College?

1 A. Yes.

2 Q. Okay. So are you fully prepared to provide
3 all information known to the company regarding FCC's
4 practices --

5 (There was an interruption in video.)

6 Q. Mr. Adler, are you fully prepared to provide
7 all information known to the company regarding FCC's
8 practices and policies regarding admissions at all FCC
9 campuses?

10 A. Yes, sir.

11 Q. And again, without revealing the content of
12 any discussions with your attorneys, how did you
13 prepare to answer questions regarding admissions?

14 A. Just reviewing with counsel and my years of
15 experience in the industry.

16 Q. What documents did you review on the topic of
17 admissions?

18 A. I reviewed our Stars training manual. That's
19 all.

20 Q. Okay. And approximately how long did you
21 spend preparing to answer questions regarding this
22 topic, including your review of the Stars manual?

23 A. Several hours for this specific topic.
24 However, I've been in admissions as part of my career
25 for many years.

1 Q. Okay. Now looking at Topic No. 2 on the same
2 page, Topic No. 2 reads: FCC's Practices and Policies
3 Regarding Recruitment at All FCC Campuses, and I'm
4 going to ask you essentially the same questions.

5 Are you fully prepared to provide all
6 information known to the company regarding recruitment
7 policies?

8 A. Yes, sir.

9 Q. And again, without revealing the content of
10 any discussions with your attorneys, how you did
11 prepare to answer questions regarding the topic of
12 recruitment?

13 A. I reviewed with counsel.

14 Q. What documents did you review on the topic of
15 recruitment?

16 A. Again, the Stars training manual.

17 Q. And for roughly how long?

18 A. Several hours.

19 Q. On the same page at the bottom of the page
20 Topic No. 3 reads: FCC's marketing and advertising
21 strategy for FCC generally for any and all FCC schools
22 and the HVAC computer network technician, medical
23 assistant technician, and patient care technician
24 programs.

25 Do you understand HVAC to refer to the

1 heating, ventilation, and air conditioning program?

2 A. Yes.

3 Q. So if I abbreviate it by just saying HVAC,
4 that's okay with you?

5 A. Yes.

6 Q. Okay. That's a lot faster.

7 A. Yes.

8 Q. Regarding marketing and advertising strategy,
9 are you fully prepared to provide all information
10 known to the company regarding marketing and
11 advertising strategy?

12 A. Yes, sir.

13 Q. What documents did you review to prepare for
14 discussing advertising and marketing strategy?

15 A. I reviewed documents provided by counsel that
16 contained several marketing advertisements, what we
17 refer to as slicks, and had a conversation with Esther
18 Duong.

19 Q. How does one spell slicks?

20 A. S-l-i-c-k-s.

21 Q. Okay. Why are they called slicks?

22 A. The paper is glossy and shiny, so it's
23 slippery, so we call them slicks.

24 Q. Okay. I'm learning new things. Thank you.
25 So how long did you spend preparing to answer

1 questions regarding advertising and marketing
2 strategy?

3 A. A few hours.

4 Q. I'm on page 6 now. Topic No. 4 as listed is
5 FCC's Practices and Policies Regarding Pricing of
6 Tuition For FCC Programs.

7 Are you fully prepared to provide all
8 information known to the company regarding pricing of
9 FCC programs and tuition?

10 MR. OPRISON: Objection.

11 A. Yes.

12 MR. OPRISON: And my objection goes to the
13 subject of limitations raised in our June 14
14 letter.

15 MR. TURI: Is that the limitation to the four
16 programs?

17 MR. OPRISON: Yes.

18 BY MR. TURI:

19 Q. So what documents did you review to prepare
20 to answer questions about the pricing of tuition for
21 the four FCC programs?

22 MR. OPRISON: Before you answer, it was as to
23 the four programs, but it's knowledgeable about the
24 tuition charged is how we limited it, subject to
25 that limitation.

1 Q. Go ahead.

2 A. Yes. I reviewed documents provided by
3 counsel.

4 Q. Are you able to say what those documents
5 were?

6 A. The documents included just a review of our
7 tuition charged at the campuses and what those tuition
8 amounts were.

9 Q. And approximately how long did you spend
10 preparing to answer questions regarding tuition of the
11 four FCC programs?

12 A. Several hours.

13 Q. Topic No. 5, also on page 6, FCC's Practices
14 and Policies Regarding Student Loan Origination and
15 Payment.

16 Are you fully prepared to provide all
17 information known to the company regarding student
18 loan origination and repayment?

19 MR. OPRISON: Objection. Subject to the
20 limitations of our June 14 letter.

21 A. Yes, sir.

22 Q. And what documents did you review, if any, to
23 prepare to answer questions on that topic?

24 A. There were no documents to review on this
25 topic.

1 Q. So you did not review any documents
2 concerning student loan origination and repayment in
3 preparation for this deposition?

4 A. No. We had discussions.

5 Q. With whom did you discuss this topic?

6 A. Counsel.

7 Q. Counsel, okay.

8 Topic 6, same page, very bottom, last two
9 lines. FCC's Practice and Policies Regarding Training
10 of Persons with each of the Following
11 Responsibilities?

12 I'll read out the persons at issue, which is
13 on Page 7, Recruiting, Admissions, Career Services,
14 Financial Aid Advisors, and Marketing and Advertising.

15 Mr. Adler, are you fully prepared to provide
16 all information known to the company regarding
17 training of persons with those responsibilities?

18 A. Yes, sir.

19 Q. What documents if any did you review to
20 prepare to answer questions regarding this topic?

21 A. I did not review any documents. This is part
22 of my job duties, so I'm very familiar with these
23 departments.

24 Q. What part of your job duties specifically
25 concerns overseeing training?

1 A. What part of? Would you repeat the question.

2 Q. Sure. I believe you said --

3 (The requested portion of the record was read
4 by the court reporter.)

5 Q. Mr. Adler, what part of your responsibilities
6 encompasses an area of training of employees?

7 A. Each of those areas, I'm responsible for the
8 campus's oversight as it includes recruiting, hiring,
9 training, and performance management.

10 Q. And I'll move down to Page 7 to Topic 7,
11 FCC's Practices and Policies Regarding Performance
12 Evaluation of Recruiters, Admission Staff, Career
13 Services Staff, and Financial Aid Advisors.

14 Are you fully prepared to provide all
15 information known to the company regarding that topic?

16 A. Yes.

17 Q. And what documents, if any, did you review in
18 preparation for answering questions regarding Topic 7?

19 A. Documents provided by counsel and documents in
20 the routine course of my job.

21 Q. What documents were those?

22 A. Specifically in the Stars manual, we speak to
23 performance evaluations of admissions staff.

24 Q. What is the Stars manual?

25 A. The Stars manual is our training manual for

1 admissions representatives.

2 Q. Is the Stars manual given to all admissions
3 representatives at all campuses?

4 A. Yes.

5 Q. Moving on to Topic 8, same page, just a line
6 down. FCC's Practices and Policies Regarding Student
7 Job Placement.

8 Are you fully prepared to provide all
9 information known to the company regarding policies
10 and practices regarding job placement?

11 A. Yes.

12 Q. What documents did you review to prepare to
13 answer questions about job placement policies?

14 A. Documents provided by counsel and in the
15 routine part of my job description.

16 Q. And again, if you could, specifically what
17 documents were those?

18 A. Documents -- I routinely look at our job
19 placement data as required by our accrediting body. I
20 review those on a daily basis as part of my job
21 duties.

22 Q. What is FCC's current accrediting body?

23 A. Counsel on Occupational Education. We refer
24 to that as COE.

25 Q. COE, okay.

1 A. Yes.

2 Q. Topic No. 9, same page, FCC's Policies and
3 Procedures Regarding Curriculum Creation For All FCC
4 Programs. I understand that's subject to a limitation
5 to the four FCC programs at issue.

6 Are you fully prepared to provide all
7 information known to the company regarding curriculum
8 creation for those four programs?

9 A. Yes, sir.

10 MR. OPRISON: Objection. I'm objecting on
11 grounds the testimony would be subject to the
12 limitation in our June 14, 2021, letter.

13 MR. TURI: Chris, if you want, we can
14 stipulate that all the witness's testimony is going
15 to be subject to those objections.

16 MR. OPRISON: As you go through, why don't we
17 do that? I'll just put a standing objection to
18 these questions. If you come across any of the
19 topics that are specifically identified in our
20 June 14th letter, and I'll read those. Those would
21 be Topics 4, 5, 9, 12, 13, 14, 15, 16, 17, 18, 22,
22 23, 24 and 25, 27 and 28 would all be subject --
23 his testimony, rather, should be subject to the
24 limitations and objections raised in our June 14th
25 letter.

1 MR. TURI: Okay. We can stipulate to that.

2 MR. OPRISON: Thanks, Michael.

3 BY MR. TURI:

4 Q. I asked what documents you reviewed in
5 preparation to answer questions regarding curriculum
6 creation for those four programs, and I think then
7 your counsel objected. Can you go ahead and answer
8 that, or do you want me to repeat it again?

9 A. I can answer. I didn't review any documents.
10 I had discussions with counsel.

11 Q. Topic No. 10, FCC's Employment Policies and
12 Procedures Regarding Instructors For All FCC Programs
13 Subject to the Limitation of the Four Programs.

14 Are you prepared to answer with all
15 information known to the company regarding that topic?

16 A. Yes.

17 Q. And what documents did you review to answer
18 questions regarding employment policies concerning
19 instructors?

20 A. I did not review any documents. I had
21 discussions with counsel.

22 Q. Okay. Next topic same page, Topic No. 11
23 concerns equipment, and again, just concerning the
24 four programs at issue, are you prepared to give all
25 information known to the company regarding FCC's

1 policies and practices regarding equipment and
2 materials for the four FCC programs?

3 A. Yes.

4 Q. What documents, if any, did you review to
5 prepare to answer questions regarding equipment and
6 materials?

7 A. I didn't review specific documents other than
8 conversations with counsel.

9 Q. Okay. Topic No. 12, same page, I understand
10 you have already in part answered this, but FCC's
11 Policies and Procedures Regarding Accreditation For
12 FCC Schools.

13 Are you prepared to provide all information
14 known to the company regarding FCC's accreditation?

15 A. Yes, sir.

16 Q. And does that include both COE and any
17 additional accreditors during the period from
18 April 20, 2015, to April 20, 2020?

19 A. Yes.

20 Q. Okay. What documents if any did you review
21 to prepare to answer questions regarding FCC's
22 accreditation?

23 A. I have not reviewed any documents. I had
24 conversations with counsel.

25 Q. Okay. On the next page, Topic No. 13, this

1 is titled FCC's Policies and Practices Regarding
2 Instructional Spending on FCC Programs, again subject
3 to the limitation, including the process by which FCC
4 determines the compensation structure of instructors
5 for its programs, are you prepared to give all
6 information known to the company regarding that topic?

7 A. Yes, sir.

8 Q. What documents, if any, did you review to
9 prepare to answer questions regarding instructional
10 spending on FCC programs and compensation structure of
11 instructors for those programs?

12 A. I did not review any specific documents. I
13 had conversations with counsel.

14 Q. Okay. Topic No. 14, same page, reads: FCC's
15 Efforts to Maintain Compliance With the 90/10 Rule As
16 Discussed in Paragraph 49 and --

17 (There was a video interruption.)

18 A. Repeat that.

19 Q. Topic No. 14 is titled FCC's Efforts to
20 Remain in Compliance With the 90/10 Rule As Discussed
21 in Paragraph 49 and Note 1 of the Amended Complaint.

22 Are you familiar with the 90/10 rule?

23 A. Yes, sir.

24 Q. Are you fully prepared to provide all
25 information known to the company regarding FCC's

1 efforts to remain in compliance with the 90/10 rule?

2 A. Yes, sir.

3 Q. What documents, if any, did you review to
4 prepare to answer questions regarding that topic?

5 A. I did not review any specific documents. I
6 had conversations and discussion with counsel.

7 Q. Okay. Topic No. 15 from the time period from
8 April 20, 2015, through, let's say, April 20, 2020,
9 All Revenues, Profits and Losses That FCC Received and
10 Incurred and the Sources of All Revenues, Profits and
11 Losses That FCC Received and Incurred.

12 Are you fully prepared to provide all
13 information known to the company regarding that topic?

14 A. As I believe counsel had objected to parts of
15 this, to the extent that I can, I will, yes.

16 Q. And what documents, if any, did you review to
17 prepare to answer questions regarding Topic 15?

18 A. I did not review any documents regarding
19 Topic 15. I had discussions with counsel.

20 Q. Topic 16 from the time period from April 20,
21 2015, through the present, though understanding your
22 review was limited to 2020, The Percentage of All
23 Revenues That FCC Received From Federal Student Loans
24 Or Grants Including the Methods Used to Determine This
25 Percentage.

1 Are you fully prepared to provide all
2 information known to the company regarding that topic?

3 A. Yes, sir.

4 Q. And what documents if any, did you review to
5 prepare to answer questions regarding Topic 16?

6 A. Documents provided by counsel.

7 Q. Mr. Adler, what were those documents?

8 A. I remember seeing a document. I would have to
9 refer to that. Perhaps if you could show me what the
10 documents are, I can point out the one I'm referring
11 to.

12 Q. I'm sorry. I'm not sure I understand.

13 A. There was a document as part of my review that
14 I saw regarding the percentage of revenues FCC
15 received. I can't recall the specific document right
16 now.

17 Q. Okay. Let's move to Topic No. 17, From the
18 Time Period From April 20, 2015, through April 20,
19 2020, the Percentage of All Revenues that FCC Received
20 From Private Student Loans or Grants Including the
21 Methods Used to Determine This Percentage.

22 Are you fully prepared to provide all
23 information know to the company regarding that topic?

24 A. I am, yes.

25 Q. And what documents if any did you review to

1 prepare to answer questions regarding Topic 17?

2 A. Documents provided by counsel through the
3 review of this testimony.

4 Q. And if you recall, what documents were those?

5 A. I do not recall. I would have to look through
6 the documents to be specific.

7 Q. Are those documents with you today?

8 A. They are in another room. They're not with me
9 right now, but I can get them today, yeah.

10 Q. Are there any documents in front of you other
11 than the document that we're currently reviewing
12 together?

13 A. This is the only document in front of me.

14 Q. Okay. Topic No. 18 -- I promise we're almost
15 done with this one. For the time period from
16 April 20, 2015, through April 20, 2020, The Amount of
17 Instructional Expenses That FCC Spends on Each Student
18 At Each Campus Including the Methods For Calculating
19 Such Expenses.

20 Are you prepared to provide all the
21 information known to the company regarding Topic 18?

22 A. To the extent I can, yes.

23 Q. What documents, if any, did you review to
24 prepare to answer questions regarding Topic 18?

25 A. I did not review any documents. I had

1 discussions with counsel.

2 Q. Topic 19, same page, reads FCC's Practices
3 and Policies Regarding Student Employment Outcomes.

4 Are you fully prepared to provide all
5 information known to the company regarding FCC's
6 practices and policies regarding student employment
7 outcomes?

8 A. Yes, sir.

9 Q. And what documents if any did you review to
10 answer questions regarding FCC's practices and
11 policies regarding student employment outcomes?

12 A. I did not review any documents.

13 Q. Last page, final topics. This is page 9 I'm
14 on. So Topic 20 FCC's Practices and Policies
15 Regarding Monitoring of Student Graduate Median
16 Earnings Including the Methods Used to Gather Or
17 Identify This Information.

18 Mr. Adler, are you fully prepared to provide
19 all information known to the company regarding that
20 topic?

21 A. To the extent that I can, yes.

22 Q. And what documents, if any, did you review to
23 prepare to answer questions regarding Topic 20?

24 A. I did not review any documents.

25 Q. Okay. Did you have discussion with counsel?

1 A. I had, yes, I had discussions with counsel.

2 Q. Okay. Topic 21, FCC's Practices and Policies
3 Regarding Maintenance of Student Racial Or Ethnic
4 Background Data Including the Methods Used to Gather
5 Or Identify That Information.

6 Are you fully prepared to provide all
7 information known to the company regarding that topic?

8 A. Yes, sir.

9 Q. And what documents, if any, did you review in
10 preparation to answer questions on Topic 21?

11 A. I did not review any documents. I had
12 discussions with counsel.

13 Q. Okay, Topic 22 reads The Racial Or Ethnic
14 Breakdown of Students At Each FCC Campus.

15 Are you fully prepares to provide all
16 information known to the company regarding that topic?

17 A. Yes.

18 Q. Did you review any documents to prepare for
19 answering questions at this deposition regarding
20 Topic 22?

21 A. I didn't review any documents. I had
22 discussions with counsel.

23 Q. Okay. Topic 24 -- Britt refers to Kareem
24 Britt. Kareem Britt is one of the plaintiffs.

25 Did you review any documents to prepare to

1 answer questions regarding Kareem Britt?

2 A. Yes.

3 Q. What documents were those?

4 A. The filings. That's what I call it. I'm not
5 sure if that's what you call it, but the filings for
6 Mr. Britt.

7 Q. When you say filings, do you mean the
8 complaint to the best of your knowledge?

9 A. Yes. The complaint, the enrollment agreement,
10 the enrollment documents that he signed upon his
11 enrollment and all disclosures that he signed.

12 Q. Okay. Topic 25 -- Henry, I will submit to
13 you refers to Sharon Henry who is also a plaintiff.

14 Did you review the same category of documents
15 for Sharon Henry?

16 A. Yes, sir.

17 Q. Move to Topic 26. FCC's Practices and
18 Policies Regarding Maintaining Electronic Records
19 Including Communications Among Personnel and
20 Communications with Third-Party Vendors and
21 Recruiters.

22 Are you prepared to provide all information
23 known to the company regarding that topic?

24 A. Yes, sir.

25 Q. And what documents, if any, did you review to

1 prepare to answer questions regarding electronic
2 records?

3 A. I did not review any documents. I had
4 discussion with counsel.

5 Q. Final topics at Topic 27, FCC's Discovery
6 Responses.

7 Did you review any documents to prepare to
8 answer questions regarding FCC's discovery responses?

9 A. Sorry. You broke up a little bit. Would you
10 mind repeating?

11 Q. Yes, of course. Did you review any documents
12 to prepare to answer questions regarding Topic 27?

13 A. I reviewed documents provided by counsel.

14 Q. And what were those documents?

15 A. I don't recall. I would have to see them to
16 be specific.

17 Q. Okay, and Topic 28, which is titled FCC's
18 Documents.

19 Did you review any documents in preparation
20 to answer questions about Topic 28?

21 A. I reviewed some documents as previously
22 mentioned in items 1 through 27 --

23 Q. Okay.

24 A. -- and had discussions with counsel.

25 Q. Were there any specific documents you

1 reviewed specifically for Topic 28?

2 A. No, sir.

3 Q. Okay. Mr. Adler, are there any topics listed
4 in this document about which you are either not
5 capable of testifying or believe you are not prepared
6 to testify about today?

7 A. No, sir.

8 Q. Are there any topics identified on that
9 document that you feel you are not the person with the
10 most knowledge about?

11 A. No, sir.

12 Q. Okay. I am now going to move on to the
13 specific questions regarding the topics that were
14 noticed, and if you'll just give me one second.

15 I am going to start with some questions
16 regarding the admissions process which pertains to
17 Topic 1, that we went over at the beginning of our
18 discussion about Exhibit 1.

19 If at any point you don't understand a
20 question, just let me know, and we'll figure out a way
21 to ask it better.

22 A. Yes, sir.

23 Q. So during the admissions process, with whom
24 do prospective students typically meet?

25 A. They can meet with a number of folks. Visits

1 typically start with our front desk customer service
2 representatives, and then they meet with admissions
3 representatives. They may meet with financial aid
4 representatives. They may meet with instructors.
5 They may meet with career service providers, depending
6 on the unique information that that prospective
7 student is seeking.

8 Q. Is there a written process in place that
9 outlines the process that you just explained?

10 A. Yes, sir. There is a written process.

11 Q. Does each FCC campus maintain a director of
12 admissions?

13 A. Yes, sir.

14 Q. Is the written process outlining student
15 admissions given to each campus's director of
16 admissions?

17 A. Yes, sir.

18 Q. Is there any difference across campuses in
19 the written admissions process?

20 A. There is no difference across campuses. There
21 is a difference in the execution of those processes at
22 each campus, depending on the student's requests.

23 Q. What do you mean, depending on the student's
24 request?

25 A. Each student is unique and individual. Some

1 students want to just tour the school, and in that
2 case we would deviate from the process, meaning that
3 they would not visit with financial aid, for example.
4 If they want to visit with instructors, they may speak
5 with an instructor. So the student typically dictates
6 what their needs and wants and information that
7 they're look to get to, and our process allows that to
8 happen. But each individual student has different
9 needs and wants.

10 Q. So am I understanding correctly that you're
11 describing differences in the execution of the
12 process?

13 A. Yes. We have a written process that's a
14 guideline for our admissions departments and our
15 campus personnel to follow, and if the student has an
16 interest in all of those steps, the student will then
17 receive all of those steps. However, if the student
18 only wants to know certain information, the process
19 would then be to provide what that student is seeking.

20 Q. When are admissions representatives permitted
21 to deviate from the written process?

22 MR. OPRISON: Object to the form.

23 THE WITNESS: Does that mean I answer?

24 MR. OPRISON: Yes, you can answer.

25 A. They're permitted to deviate at the request of

1 the student. Again, if the student says, I just want
2 to know how I can pay for school. I don't want to
3 visit classrooms. I don't want to go on a tour, then
4 we would accommodate that student's request.

5 Q. Is there any difference in the written
6 process across different FCC programs in which a
7 student may want to enroll?

8 A. No, sir.

9 Q. To whom do campus directors of admissions
10 report?

11 A. They report to the executive director.

12 Q. Do you mean the executive director at each
13 campus?

14 A. Yes. I'm sorry.

15 Q. Don't apologize. To whom do executive
16 directors at each campus report regarding admissions
17 policies or issues?

18 A. Could you repeat that, Michael?

19 Q. Yeah. To whom do campus directors report
20 concerning admissions issues?

21 A. So when you say campus directors, can I
22 clarify what you mean by that? We have executive
23 directors, which is the title of the individual that
24 is responsible for the entire campus.

25 Q. That's it.

1 A. Okay. So if there is an issue in admissions,
2 the director of admissions would report that to the
3 executive director of the campus. They may also
4 report that to their regional vice president of
5 admissions, which is a regional leader overseeing the
6 admissions department, providing support to the
7 admissions department.

8 Q. Who is the regional vice president of
9 admissions?

10 A. Are you asking for the name of the individual?

11 Q. Yes.

12 A. Currently in South Florida, the campuses in
13 South Florida, that position is open. In North
14 Florida, that position is filled by Terry Holt.

15 Q. Do you recall who held those two positions as
16 of April 2020?

17 A. April 2020, in the Northern Florida region,
18 that position was held by Terry Holt. Give me a
19 second, Michael. I have to think about South Florida.
20 April 2020, so that would have been just over a year
21 ago -- I do not recall. I'm sorry.

22 Q. Do you recall the last person to occupy that
23 position, just generally?

24 A. Yes. Peter ++ Caris (phonetic).

25 Q. How are campus admissions directors trained?

1 A. Campus admissions directors are trained
2 through a number of ways. Our corporate director, we
3 have a director of training admissions. Her or her
4 team members will provide training to the director of
5 admissions. They will also receive training from
6 their executive director, and they also go through
7 ongoing training every single week.

8 Q. What occurs every single week in terms of
9 ongoing training?

10 A. The topics change each week and they vary
11 dependent on what training the directors feel is
12 necessary.

13 Q. So do the directors choose the training
14 topics themselves?

15 A. Sometimes they'll request for additional
16 training. Sometimes the executive director will pick
17 the topic. Sometimes I will pick the topic. It
18 depends on what I see, what they see, what others see
19 as a need for reinforced or reminder training or
20 perhaps new training. It depends on what's happening.

21 Q. Who conducts the weekly trainings of campus
22 admission directors?

23 A. Our corporate training department.

24 Q. I believe, and correct me if I'm wrong, you
25 said the person presiding over that process was a her

1 or a she. To whom was that referring?

2 A. Sherri Boyd.

3 Q. Okay.

4 A. However, training, just to clarify, training
5 can be conducted by myself, by other directors of
6 admissions, by other executive directors. It's not
7 always going to be Sherri Boyd.

8 Q. How frequently is Ms. Boyd present at these
9 weekly trainings?

10 A. Most often. Not always, but most often.

11 Q. Do these trainings include admission
12 directors at all FCC campuses?

13 A. Yes.

14 Q. And do they typically -- let me start that
15 question over.

16 Are they typically oral trainings, or do they
17 typically include written materials?

18 A. It's a combination of both. It depends on the
19 topic that we're teaching. For example, if we have a
20 new program that we're starting at a campus, the
21 materials provided would include the details of that
22 new program. If it's a topic about how to train new
23 admissions representatives, it might be a review of
24 our policies and practices and training materials, so
25 it depends on the training topic.

1 Q. Are written notes kept of what is discussed
2 at those weekly trainings?

3 A. I do not know that answer.

4 Q. Do you know if minutes are kept of those
5 meetings?

6 A. Minutes would not normally be kept in a
7 training meeting.

8 Q. Okay. How frequently are you present for
9 those weekly training meetings?

10 A. Occasionally. Not always.

11 Q. More than half the time?

12 A. No. I would say about a third of the time.

13 Q. Back to a few minutes ago when we were
14 talking about the admissions process for a student.
15 Is there anywhere in writing that explains where
16 admissions representatives are allowed to deviate from
17 that process?

18 A. No.

19 Q. So how do admissions representatives or any
20 other representatives of FCC know when they can
21 deviate from the written guidelines?

22 A. At the request of the student, if the student
23 is requesting specific information that is not
24 inclusive of the 24-step process, we will accommodate
25 that student. That's part of our standard customer

1 service training. We don't ever want to pressure a
2 student to receive information they're not interested
3 in, and our representatives understand that this is a
4 customer service role and the customer's requests are
5 what we speak to.

6 Q. Who receives what you call the standard
7 customer service training?

8 A. Every employee of IEC receives customer
9 service training as part of their job duties.

10 Q. And do they all receive the same customer
11 service training?

12 A. Generally, yes. The customer service training
13 are standards of interacting with our students and
14 with each other and this training is respect, dignity,
15 effective communication, timely responses. All
16 employees receive generally the same type of training
17 as it relates to --

18 Q. Does FCC track how often representatives
19 depart from the written admissions guidelines?

20 A. No, we do not track that.

21 Q. How does FCC know its representatives are
22 adhering to the admissions guidelines?

23 A. You broke up again.

24 Q. How does FCC know its representatives are
25 adhering to the admissions guidelines?

1 A. Our directors of admissions are required to
2 conduct observations, in-person observations of all of
3 our representatives at least monthly and perhaps more,
4 dependent on the expertise and knowledge of the
5 admission rep. So at a minimum, every single
6 admissions rep receives an observation from their
7 director of admissions.

8 Q. Are any written records kept that memorialize
9 the observations of the admissions directors?

10 A. Yes. They're called an observation form and
11 each director of admissions completes that form and
12 keeps that in the employee's personnel file.

13 Q. What exactly is the admissions director
14 required to observe?

15 A. It's quite complex and lengthy, Michael. We
16 review general customer service. We review adherence
17 to our policies and practices. We adhere to answering
18 the questions effectively that the prospective
19 students are asking. We're adhering to maintaining
20 compliance with our standards and policies. We're
21 ensuring that the students are aware of their choices.
22 It's quite involved.

23 Q. Can you reiterate for me what the written
24 records are called? I think you said observation?

25 A. Observation forms.

1 Q. Observation forms. Who reviews the
2 observation forms?

3 A. Those forms are reviewed by the director of
4 admissions, the executive director, and compliance.

5 Q. What happens if an FCC representative is
6 found in the observation process not to be observing
7 the written policies and procedures?

8 A. That representative is immediately retrained.
9 We provide additional coaching and training to that
10 individual.

11 Q. Who provides retraining?

12 A. It could vary from the director of admissions,
13 the executive director. It could be our compliance
14 department. It could be our corporate training
15 department. It depends on what the specific situation
16 is. Our admissions representatives are required to
17 maintain compliance, a complex list of criteria that
18 ensures that we remain compliant with our state,
19 federal and accreditor regulatory bodies. And so
20 there's quite a bit of information that they need to
21 know in order to remain compliant. So it's not
22 uncommon for us to frequently review with all of our
23 admissions representatives what the compliance
24 requirements are.

25 Q. Is there a written discipline policy

1 regarding employees who are found in observation not
2 to be in compliance?

3 A. We do not have a written discipline policy.
4 We use the observation form as the document to notify
5 the admissions reps of the areas of opportunity.

6 Q. Can the admissions representatives be
7 terminated for failing to follow the admissions
8 policies?

9 A. They can be.

10 Q. Do you know, to the best of your knowledge,
11 how many employees are terminated per year for
12 violations of FCC policies?

13 A. I do not have specific numbers. I'm sorry. I
14 can tell you that it happens. Our policies -- all of
15 our policies are expected to be followed in every
16 interaction.

17 Q. Who is responsible for decisions regarding
18 terminations of admissions representatives?

19 A. The requests to separate from an admissions
20 representative would come from the director of
21 admissions. It is reviewed by the executive director.
22 The executive director provides that request for
23 separation if approved by the executive director to me
24 and to our human resources department. And each of
25 these folks are required to provide their approval or

1 denial.

2 Q. Okay. I'm going to turn my questioning a bit
3 to the application process generally, and it's been
4 about an hour, so we'll take a break in the near
5 future.

6 When a prospective student seeks to enroll in
7 an FCC program, do they fill out a formal application?

8 A. Yes.

9 Q. At what point during the admissions process
10 are they given the application to fill out?

11 A. We call that an enrollment agreement. They
12 are given that enrollment agreement after they've had
13 an interview with the admissions representative and
14 after they've had an overview, what we call a
15 financial aid overview with our financial aid
16 department, and after they receive a tour of the
17 campus.

18 Q. What questions are asked by the admissions
19 representative at interviews?

20 A. It varies depending on -- every student's
21 situation is unique. So the admissions reps would ask
22 questions such as are you currently employed. If
23 you're currently employed, what industry are you in?
24 Are you comfortable in that industry? If they're
25 unemployed, they may say, what industries are you

1 interested in? Why is school important to you at this
2 time? How will you manage going to school at this
3 point in your life I your other, perhaps family or job
4 obligations.

5 So there's a number of questions that we ask
6 that are unique to each individual.

7 Q. Is there a written list of expected interview
8 questions?

9 A. There are guidelines of questions that an
10 admissions rep can ask, however, because each
11 student's situation is unique, the admissions
12 representatives may ask additional questions that are
13 not on the guidelines we provide.

14 Q. Does every admissions representative at
15 Florida Career College receive the same written
16 guidelines regarding admissions interviews?

17 A. Yes.

18 Q. And is that the case regardless of what
19 program the student may be interested in?

20 A. Yes.

21 Q. Okay. Does anyone typically help students to
22 fill out the enrollment application?

23 A. No. Students fill that out on their own.

24 Q. Is there a policy preventing FCC employees
25 from assisting students with filling out the

1 enrollment application?

2 A. Yes.

3 Q. Is that policy memorialized in writing?

4 A. Yes.

5 Q. Do you know off the top of your head in what
6 document or what kind of document?

7 A. Not off the top of my head.

8 Q. What would happen if a student asked an
9 employee for assistance filling out an application
10 form?

11 MR. OPRISON: Object to the form.

12 Go ahead.

13 A. The admissions representatives would decline
14 and instruct the student to complete the enrollment
15 agreement on their own.

16 Q. And how does FCC know that the admissions
17 representative would decline?

18 A. Through our observations -- our enrollment
19 agreements are electronic and are physically -- the
20 computer screen is turned towards the student, and
21 only the student is seeing that document. The
22 admissions rep is on the other side of the desk.

23 Q. Is the student ever given a written piece of
24 paper in front of them, or does this all occur on a
25 computer screen?

1 A. With respect to the enrollment agreement, it's
2 done on a computer screen. They may receive written
3 materials, but it might be materials related to the
4 program. But the enrollment agreement is electronic.

5 Q. Has that been the case going all the way back
6 to April of 2015, or has the policy changed?

7 A. The policies changed several years ago. I
8 don't know exactly when.

9 Q. So what was the previous policy regarding
10 computer screen, filling out of the admissions form?

11 A. I can't speak to that. I don't know, but as I
12 reviewed Mr. Britt's enrollment agreement, it was an
13 electronic document, so ...

14 Q. Okay. For a given admissions representative,
15 just like a single one, how many interviews, total,
16 are subject to the observation process you've
17 discussed, per month?

18 A. It can range from one to dozens depending on
19 the admissions rep's training, tenure, and experience.

20 Q. So are you saying that there would likely be
21 fewer observations if they are more experienced, or
22 what exactly do you mean?

23 A. If an admissions representative is fully
24 trained and is competent and capable of following all
25 policies and procedures, there would be fewer

1 observations with that admissions representative than
2 there would be for someone, say, who's recently new to
3 the job.

4 Q. Who's new. Okay. Who decides how many
5 observation interviews an admissions representative
6 should have per month?

7 A. The director of admissions, the executive
8 director, and the regional vice president of
9 admissions would all have input into how many
10 observations an admissions representative might
11 receive.

12 MR. OPRISON: Is this a good time to break?

13 MR. TURI: Let's break to 11:30.

14 (A short break was taken.)

15 BY MR. TURI:

16 Q. Talking about admissions representatives,
17 other than not being permitted to fill out forms for
18 students, are there other areas where admissions
19 representatives cannot deviate from written
20 guidelines?

21 A. No. There are no other areas. They're
22 expected to follow all standards of compliance.

23 Q. Are admissions representatives instructed on
24 terms or phrases that they should not use?

25 A. Yes.

1 Q. What terms and phrases should admissions
2 representatives not use?

3 A. There are quite a few. They're not expected
4 to use terms such as, you'll make good money; you'll
5 get a great job; we have state of the art equipment;
6 we have a best of every school out there.

7 There are a number of areas that would be a
8 misrepresentation of our product or service.

9 Q. Are admissions representatives instructed on
10 promises that they shouldn't be making?

11 A. Yes. That's part of the admissions training.
12 That's part of our compliance oversight. It's part of
13 our observations. It's part of our training.
14 Compliance and adherence is a significant component of
15 the admissions representatives's job duties.

16 Q. So these terms and phrases and promises that
17 admissions representatives are told not to make, is
18 that memorialized somewhere in writing?

19 A. Yes. That would be in our Stars training
20 manual.

21 Q. And I believe you answered this already, but
22 do all admissions representatives receive the same
23 training manual?

24 A. Yes, sir.

25 Q. When a student applies to an FCC program,

1 what materials do they submit to the school?

2 A. A student applies to an FCC program, what
3 materials do they submit? They would submit proof of
4 graduation if they're a high school graduate or GED --
5 successful GED. That would be the only documents they
6 are required to submit as part of our enrollment
7 agreement, which is the -- outlines our terms and
8 conditions. If they are in financial aid, they may be
9 required to submit additional documents.

10 Q. Does FCC conduct background or criminal
11 records checks before accepting a student?

12 A. They do not.

13 Q. Are FCC students required to indicate whether
14 they have criminal convictions? Or are prospective
15 FCC students required to indicate whether they have
16 criminal convictions?

17 A. They are not required to disclose that
18 information.

19 Q. Is there an enrollment form where that
20 information is asked for?

21 A. As part of the enrollment agreement, which is
22 our contract that outlines the terms and conditions of
23 their enrollment, there are disclosures provided to
24 the applicant regarding criminal convictions.

25 Q. What are those disclosures?

1 A. Those disclosures include upon successful
2 graduation of the program, there may be some employers
3 that do not hire individuals with criminal
4 backgrounds, and the student is aware of those
5 situations.

6 Q. If an admissions representative becomes aware
7 that a student has a criminal conviction, does that
8 affect the student's prospect for admission?

9 A. It does not.

10 Q. Other than the form that you just described,
11 how does FCC advise students with criminal records on
12 their likelihood of obtaining employment in their
13 field of study?

14 MR. OPRISON: Object to the form.

15 A. If a student discloses a criminal background,
16 our process is to involve our career services
17 department and outline the opportunities for gainful
18 employment upon graduation for students that have that
19 situation.

20 Q. Is career services required to meet with the
21 student regarding that issue before the enrollment
22 process is completed?

23 A. They're not required. However, if the student
24 requests additional information regarding employment
25 upon graduation, we would then include that department

1 in those conversations.

2 Q. Is that process for having further
3 discussions with students with criminal backgrounds
4 memorialized in writing?

5 A. Typically, no, not at that time. It depends.
6 Every situation is different. Some students don't
7 want to talk about those things. Some students do
8 want to talk about those things. They're all
9 different. Some are embarrassed. Some are unwilling
10 to talk but feel compelled to share what their
11 information is. So it's all -- it's dependent, and at
12 this point in the process there's no student record
13 because a student is still exploring their options to
14 attend school.

15 Q. Are FCC representatives required to ask a
16 prospective student about whether they have a criminal
17 background?

18 A. No.

19 Q. What should an admissions representative do
20 when they hear a prospective student has a criminal
21 record?

22 MR. OPRISON: Object to form.

23 A. Admissions representatives would immediately
24 escort the student over to our career services
25 department, introduce the student to the career

1 services department, career services advisor, share
2 the program that the student is interested in, and
3 explain the job opportunities upon graduation that
4 currently exist, allowing the student to then make the
5 choice whether or not they want to continue with their
6 enrollment.

7 Q. Is the procedure you just described a written
8 policy?

9 A. I'm not aware of it being a written policy,
10 but I know we have trained to that process.

11 Q. On what basis are prospective students
12 rejected from admission to FCC?

13 A. If they're under the age of 18, that could be
14 a disqualification. If they do not possess a high
15 school diploma or GED, and are unable to pass the
16 eligible Pathways Program admittance test administered
17 by a third party, those would disqualify a student
18 from being enrolled.

19 Q. Who is the third party?

20 A. The third party, they manage what we call the
21 ECPP program. They administer the tests. It's a
22 federally approved program. And the test is a
23 Wonderlic test managed, maintained, and conducted by
24 the third-party vendor.

25 Q. Are students who do not have a high school

1 diploma ineligible for admissions to all programs,
2 some programs, or no programs?

3 A. Some programs. Some programs require a GED or
4 high school diploma.

5 Q. Why do those programs require a GED or a high
6 school diploma?

7 A. Those programs are approved by our accrediting
8 bodies, the state, the states that we operate in, and
9 those programs' approvals require high school diplomas
10 or GEDs. So to remain compliant, those programs are
11 ineligible.

12 Q. But you stated there are other programs for
13 which a high school diploma or GED is not required,
14 correct?

15 A. Not required, but to become a student, they
16 must either have that diploma or pass the ECPP test.

17 Q. Is every FCC admissions representative
18 required to verify if a prospective student has a high
19 school diploma or GED?

20 A. Could you repeat the question.

21 MR. TURI: Read that back.

22 (The requested portion of the record was read
23 by the court reporter.)

24 A. They are not required to satisfy, but other
25 departments are. Compliance departments, our

1 admissions coordinators are, but the admissions
2 department, that is not required to them. They're
3 required to determine if they have it, but the actual
4 validity and proof of it would be another department.

5 Q. What do you mean when you say determine?
6 What do they do to determine?

7 A. They ask, are you a high school graduate.

8 Q. Okay. Other than not having the requisite
9 education or being under 18, are there any other
10 written reasons or written policies that explain why
11 to reject a student?

12 MR. OPRISON: Object to the form.

13 A. No.

14 Q. What would an FCC admissions representative
15 be expected to do if they discover a prospective
16 student is homeless?

17 MR. OPRISON: Object to the form.

18 A. They would engage in a conversation with the
19 student, first of all understanding that the student
20 has requested information from us, so they have sought
21 our information. So the first indication would be
22 they're asking for help. And so we would clarify or
23 confirm that through conversation with that person.
24 If they're homeless, is it temporary or is it
25 permanent? Do they need career training to resolve

1 their homelessness situation. So there's a number of
2 factors that we would want to have conversations with,
3 with that prospective student for their unique
4 situation. And all of our students are unique. They
5 all have different challenges, different issues,
6 different questions, so we would explore that.

7 Q. Are there written procedures governing how
8 admissions representatives should engage with students
9 who have certain life challenges?

10 A. There are guidelines that we provide to assist
11 newly hired representatives with how to have that type
12 of conversation with prospective student.

13 Q. Do all admissions representatives receive
14 those same guidelines?

15 A. Yes.

16 Q. Does FCC have policies and procedures
17 regarding a prospective student's level of English
18 proficiency?

19 A. Our education is delivered English speaking,
20 both verbally and in written form. All students are
21 required to have a proficiency in English language.

22 Q. What steps do FCC admissions representatives
23 take to ensure that a student speaks English well
24 enough to complete the program?

25 A. The initial steps are introductions with our

1 customer service representatives, introductions with
2 our admissions representatives who conduct interviews
3 and conversations during the tour. We're engaging in
4 a tour of the campus, we engage in English
5 descriptions and directions. They may meet with
6 instructors. If they enroll in the program, they will
7 go through a second interview with our director of
8 admissions. They may meet with financial aid, and
9 throughout all of these interactions, we will be able
10 to determine if the student can understand the English
11 language as we teach in our classrooms.

12 Q. If someone determines a prospective student
13 does not speak English well enough, would that student
14 be rejected?

15 A. Yes. That student -- if the student could not
16 understand the enrollment agreement, for example, or
17 financial aid paperwork for example, they would not be
18 admitted to the program.

19 Q. Are admissions representatives permitted to
20 speak to prospective students in Spanish?

21 A. Yes, they're permitted to speak in Spanish.
22 If the student is speaking in Spanish, they may
23 respond in Spanish, yes.

24 Q. Is that policy in writing?

25 A. No, that policy is not in writing.

1 Q. Who makes the final decision as to whether a
2 student is eligible to enroll, a prospective student?

3 A. Yeah. The prospective student, the final
4 decision is made by the director of admissions and the
5 executive director.

6 Q. Is there a checklist, a written checklist for
7 checking eligibility?

8 A. Yes.

9 Q. What is on that checklist?

10 A. The checklist is a compilation of all the
11 documents and forms that the student would need to
12 complete in order to be admitted.

13 Q. Are admissions representatives expected to
14 enroll a certain number of students per month?

15 A. No.

16 Q. Are there any written guidelines concerning
17 the number of students that admissions representatives
18 should enroll per month?

19 A. No. There are guidelines, performance
20 expectations that our admissions representatives have.
21 They vary based on tenure, training, and experience,
22 and they are unique to each campus and each campus
23 program offerings.

24 Q. How are those performance expectations
25 communicated to admissions representatives?

1 A. During their interview, during their
2 onboarding, during their training with their director
3 of admissions and with their executive directors,
4 regional vice president of admissions, all are part of
5 the performance management process.

6 Q. Are those expectations communicated in
7 writing?

8 A. Yes.

9 Q. Are incentives given to the admissions
10 representatives if they enroll more students?

11 A. No.

12 Q. Are disincentives given to admissions
13 representatives who fail to enroll students during a
14 given time period?

15 A. What do you mean by disincentives?

16 Q. Let me re-ask that. Can an admissions
17 representative be reprimanded for failing to enroll a
18 certain number of students in an FCC program?

19 A. No. An admissions representative that is
20 failing to meet their performance objectives will
21 receive additional training and coaching. The
22 expectations of that training and coaching would be
23 that they would perform to a level of a trained
24 representative. The performance includes a number of
25 factors that are -- that are different from an

1 enrollment number. They have performance expectations
2 in communication, in teamwork, in professionalism, in
3 timeliness, punctuality. The performance of our
4 admissions reps is a complex system that involves a
5 number of performance areas.

6 Q. Is enrollment of students a factor to be
7 considered in review of the performance of admissions
8 representatives?

9 A. Yes. Enrollment of students is one factor of
10 many.

11 Q. Are there regular meetings between FCC
12 admissions representatives and supervisory personnel
13 to discuss the enrollment process?

14 A. Yes.

15 Q. What is discussed at the performance review
16 of an admissions representative?

17 A. The primary component of a performance review
18 are 20 areas of what I call soft skills, as I
19 previously mentioned. Are they professional? Are
20 they courteous? Are they on time? Are they a team
21 player? Are they honest? Do they operate with
22 integrity? Do they minimize conflict? Are they -- so
23 there's a number of areas that we review monthly with
24 our admissions representatives.

25 Q. How does FCC track the enrollment numbers of

1 each admissions representative?

2 MR. OPRISON: Object to the form.

3 A. We track those electronically. Every
4 colleague's performance is measured on a monthly basis
5 in admissions.

6 Q. Who reviews that data?

7 A. The director of admissions, the executive
8 director, the regional vice president of admissions,
9 myself, and may or may not include our training
10 department.

11 Q. Are notes kept of regular meetings between
12 FCC admissions representatives and corporate personnel
13 to discuss student enrollment?

14 MR. OPRISON: Object to the form.

15 A. Not that I'm aware of, No.

16 Q. Okay. For a prospective student who comes
17 onto an FCC campus, how long is the admissions process
18 expected to take up to enrollment?

19 A. That's highly unique to every student
20 situation. Some students who've been to other schools
21 are very familiar with the process. Some students
22 who've not been to a school before, it may take
23 several hours. It is unique and specific to each
24 individual.

25 Q. Are there written guidelines outlining

1 expectations for how long the admissions process
2 should take?

3 A. There are guidelines, yes.

4 Q. Do all FCC admissions representatives receive
5 the same guidelines?

6 A. Yes.

7 Q. How much time are prospective students given
8 to discuss the program in which they wish to enroll?

9 A. As much time as they would like.

10 Q. How much time are students given to discuss
11 their particular financial situation?

12 A. As much time as they would like.

13 Q. How much time is typically allotted to
14 discuss the cost of the FCC program in which the
15 student wishes to enroll?

16 A. It varies on every student. Again, some
17 students that attend our school have been to other
18 schools and they're very familiar with the process.
19 We find that those students typically have fewer
20 questions. Students that have never been to a school
21 before have more questions and it takes longer. So
22 it's unique to the individual.

23 MR. TURI: Counsel, I'm going to put up
24 documents here in the chat box. Did you get that?

25 MR. OPRISON: Give me a sec. I can see the

1 document.

2 BY MR. TURI:

3 Q. It's a one-page document. I'll note at the
4 bottom, if you're able to see the bottom, it's marked
5 "confidential" and it bears the stamp
6 IECSFL-006-0000043, and I'll submit this is a document
7 that your attorneys produced in discovery. This is
8 titled Financial Aid Timeline.

9 Mr. Adler, do you recognize this particular
10 document?

11 A. Yes.

12 Q. Is this document used at FCC campuses?

13 A. Yes.

14 Q. Who is given this document?

15 A. This document is provided as part of our
16 training to our financial aid advisors.

17 Q. Who created this document?

18 A. The financial aid department.

19 Q. Is this document given to all financial aid
20 advisors at all FCC campuses?

21 A. Yes.

22 Q. Is this an accurate representation of the
23 financial aid timeline?

24 A. Yes.

25 Q. Is there any difference in the written

1 financial aid process across the FCC programs?

2 A. When you say difference, can you clarify?

3 Q. As to this specific document, would this be
4 expected to apply to financial aid representatives who
5 are enrolling students into all FCC programs?

6 A. Yes.

7 Q. Okay. So I'm looking the arrows that
8 constitute the headers. So the first arrow says Day
9 0, preenrollment, and the second arrow says Day 0
10 post-enrollment.

11 Do you see that?

12 A. Yes.

13 Q. What exactly constitutes enrollment? Like at
14 what point is a student considered enrolled?

15 A. A student is considered enrolled once they
16 complete our enrollment agreement, which is our
17 contract that outlines our obligations and the
18 student's obligations. So once the student completes
19 that paperwork, they would be considered enrolled.

20 Q. Under preenrollment it reads, the second
21 bullet reads "check NSLDS for red flags."

22 What would constitute a red flag?

23 A. The red flag would be a student that's in
24 default on previous loans taken out from the federal
25 loan program.

1 Q. If a student is in default on previous loans,
2 does that constitute grounds for the student to be
3 rejected from FCC?

4 A. No. It constitutes that the student is not
5 eligible for additional financial aid from the FAFSA
6 program, the federal loan program, unless they resolve
7 those. Some students resolve those and they become
8 eligible for federal loans. But if a student is not
9 able to solve that, they still have other ways that
10 are offered to pay for school, and that would allow
11 them to continue their enrollment process.

12 Q. What other ways or other options are offered
13 to students during the financial aid process?

14 A. Students can pay for school through a number
15 of ways. They can pay cash. They can get private
16 loans. They may receive scholarships. They may be
17 eligible for WIOA grants. They may be able to borrow
18 money on their own.

19 Q. What percentage of FCC students take out
20 federal loans to pay for their education?

21 A. Approximately 87 to 90 percent.

22 Q. Do financial aid advisors as part of the
23 enrollment process ascertain whether students have
24 previously filed tax returns?

25 A. The student must -- may be required to submit

1 tax returns. It's the student's responsibility to
2 provide those. We don't determine if they filed them
3 or not.

4 Q. If a student is discovered to not have filed
5 tax returns, would that disqualify a student from
6 receiving financial aid from FCC?

7 A. It may. Students may be able to file and
8 become eligible; however, part of the process for the
9 federal loan program is that tax returns are part of
10 the approval process.

11 Q. Can a student be prohibited from receiving
12 private loans through FCC if they have not filed their
13 tax returns?

14 MR. OPRISON: Object to the form.

15 A. No. Private loans -- students have a choice
16 of how they pay for school. If they choose to use
17 private loans, the lender that they choose would have
18 their own rules regarding eligibility.

19 Q. Does FCC have an institutional loan program?

20 A. No, we do not.

21 Q. Which of the steps on this list most
22 frequently poses an obstacle for students in
23 successfully becoming enrolled and starting at FCC?

24 A. I'm reviewing the document.

25 Q. Yeah, take your time.

1 A. Each of these steps could take longer than
2 others depending on the student's information that
3 they provide. However, taxes -- gathering tax returns
4 can sometimes cause delays. If we receive
5 verification requirements from the direct federal loan
6 program, we may need additional documents that the
7 student must provide. Those two can extend the length
8 of the process. Did I answer your question?

9 Q. Yes. Yes. Sorry.

10 MR. TURI: This was Exhibit 2, by the way.

11 (Exhibit No. 2, description, was marked for
12 identification.)

13 BY MR. TURI:

14 Q. I just put Exhibit 3 in the chat. That's the
15 next document we're all going to look at together.
16 Mr. Adler, you can let me know when it's in front of
17 you.

18 A. I have it.

19 Q. Is the document a one-page document,
20 Financial Aid Process from A to Z?

21 A. Yes, with the item number that ends in 819 at
22 the bottom?

23 Q. Yes. Yes, that's right. So this is our
24 Exhibit 3 it's marked "confidential" and it's stamped
25 IECSFL007-0000819.

1 (Exhibit No. 3, description, was marked for
2 identification.)

3 MR. OPRISON: Can I ask a question? I don't
4 mean to interrupt, but is this part of a larger
5 document? Is this page taken out of or excerpted
6 from a document?

7 MR. TURI: No. This one's a single pager. I
8 haven't -- that goes for everything that I'm
9 introducing today. I haven't cropped anything else
10 out. They're all in the form that you gave to us.

11 MR. OPRISON: Thank you.

12 BY MR. TURI:

13 Q. So do you recognize this document?

14 A. Yes.

15 Q. Is this document used at all Florida Career
16 College campuses?

17 A. Yes.

18 Q. Is this an accurate representation of how the
19 financial aid process is expected to work?

20 A. Yes, it is.

21 Q. Who created this document?

22 A. The document was created by our financial aid
23 department in conjunction with our admission
24 department.

25 Q. And is this document given to all financial

1 aid representatives at all FCC campuses?

2 A. Yes.

3 Q. Is it given to all admissions
4 representatives?

5 A. This would be provided as part of the training
6 process, as part of the training. I don't know if we
7 actually hand them a physical copy of this document.
8 We would review the process.

9 Q. Okay. So I'll state to you that this
10 document has 32 boxes. It appears to envision steps.
11 And in each box, there is a time period. So box one
12 says 30 seconds. Box 2, I see two minutes. You can
13 see I'm kind of squinting a bit.

14 But my question is, how are the time periods
15 listed in the boxes in this document determined?

16 A. The time periods are guidelines. They're not
17 policies. These are recommended times that it would
18 take to have these particular interactions with these
19 particular personnel. They're based on a historical
20 review of the actual process that students experience
21 when they visit our campuses.

22 Q. So in particular, I want to talk about a few
23 select boxes. Box 3 reads cover eligibility
24 requirements. How is it determined that it should
25 take one minute to cover eligibility requirements?

1 A. The shading of the document has different
2 colors for admissions and student finance, and so I'm
3 trying to determine if this is a box covered under
4 admissions or student finance based on the shading of
5 the document.

6 Q. Yes, I frankly struggled with that, too. I
7 think it's student finance, but it's a little
8 difficult to tell.

9 A. So the eligibility requirements for
10 admissions, I'm going to answer this both ways.
11 Admissions is what we previously discussed. Are they
12 over the age of 18? Do they have a high school
13 diploma? If they don't have a high school diploma or
14 GED, are they successful in passing their ECPP exam.
15 That's the admissions.

16 For financial aid they're going to review,
17 have you been in default of any federal financial
18 loans in the past? And that's a very quick process.
19 The students would enter their information and be --
20 the system would tell us if they have defaulted or
21 not. So that's a quick process in financial aid as
22 well. If they're not eligible --

23 Q. Sorry. Sorry. Continue.

24 A. Oh, that's okay. I'm done.

25 Q. Oh, okay. So virtually sometimes it's hard

1 to tell when someone is finished talking. So
2 definitely did not mean to talk over you.

3 So the criteria you just listed, how was it
4 determined that that should take approximately one
5 minute?

6 A. Based on the time that it takes for the
7 admissions representative or the financial aid
8 representative to engage with the student.

9 Again, these are guidelines. If it takes
10 five minutes, that's okay. If it takes an hour,
11 that's okay. We're not going to hold our colleagues
12 to a standard that is not in the best interest of the
13 student.

14 Q. Understood. Let's take a quick look at
15 Box 5. Box 5 reads, complete cost estimate with
16 student, parentheses, three minutes.

17 Similar question, how is it determined that
18 it should take three minutes to discuss the cost of a
19 program with prospective students -- to complete a
20 cost estimate. That's what it says.

21 A. Yes. The cost of our tuition is
22 pre-published. It's in our catalog. These cost
23 worksheets are prepopulated with the cost of the
24 program. So once we know what program the student is
25 interested in, we can share the cost of the program.

1 That is different from how they will pay for the
2 program.

3 Q. At what point in this document is an FCC
4 employee expected to discuss a student's ability to
5 pay?

6 A. FCC does not determine a student's ability to
7 pay. The ability to pay is determined by the lender
8 if they take student loans.

9 Q. I think you answered this, so I apologize for
10 asking it again, but at the time that the cost
11 estimate in Box 5 is completed, does the student
12 already know the program in which they're enrolling?

13 A. It is more common for them to know which
14 program they are interested in. There are times a
15 student changes their mind and selects a different
16 program.

17 Q. If a student changes programs, at any point,
18 whether it's before, you know, starting class, or
19 whether it's after taking a few classes, do they
20 engage again with financial aid?

21 A. Yes. Once a student changes the program, it
22 starts the process over from the beginning to ensure
23 that we remain compliant with all state and federal
24 and accreditor and regulatory bodies.

25 Q. Okay. I'm going to skip over to Box 26 which

1 is in the fourth column about halfway down.

2 What is the 11121 rule?

3 A. I'm not familiar with the 11121 rule. Our
4 financial department in conjunction with our
5 compliance department would ensure that we are
6 following that process.

7 Q. So to the extent you can say, who would be
8 the best person to speak to about what the 11121 rule
9 is?

10 MR. OPRISON: Object to the form.

11 A. Our compliance department would be -- that
12 would be the person I would go to clarify and confirm
13 that what 11121 rule is.

14 Q. Who leads the compliance department?

15 A. The senior director of compliance, Angela
16 Paul.

17 Q. Did Ms. Paul leave the compliance department
18 as of April 20th of last year?

19 A. Yes.

20 Q. Okay, got it. So in the context of Box 26 --
21 well, in the context of this process, what is an
22 institutional loan? In Box 26 it says, advisor
23 creates institutional loan. What does that mean?

24 A. The student is offered options on how to pay
25 for school. Those options are discussed with the

1 student. If the student chooses to take out a -- fill
2 out the FAFSA and take out a federal loan, the advisor
3 would create that document after the student has
4 completed -- the student at this point has completed
5 all of their application requirements. By the time
6 they reach item 26, they have completed their
7 application. The advisors then at that point would
8 create the documents to review them with the
9 prospective student.

10 Q. What would happen if a student declines to
11 fill out a FAFSA?

12 A. They would be ineligible for a direct student
13 loan, a federal government loan.

14 Q. Would that student still be eligible for
15 admission?

16 A. They would still be eligible for admission.
17 We would then discuss what other options they choose
18 to pay for school that would exclude the federal
19 student loan program.

20 Q. What are the other options that FCC offers?

21 A. FCC doesn't offer any direct loans to
22 students. We offer options and allow the students to
23 make their own decision. There are private loans the
24 students can apply for. They can pay cash if they
25 have the ability to do so or family or friends that

1 are willing to support that decision. They can pursue
2 scholarships. They can pursue WIOA grants from state
3 programs. We offer those options and allow a student
4 to choose which one is best for them if they choose
5 not to fill out the FAFSA.

6 Q. I want to clarify something from a couple of
7 questions ago, back to Box 26. Are you saying that
8 institutional loan here refers to federal loans? What
9 does an institutional loan mean?

10 A. FCC partners with two lender options that
11 students may choose. The students may fill out those
12 for funding for their program, and the financial aid
13 adviser would then compile the options and solutions
14 to pay for their tuition and would then create this
15 document for the student to review and sign.

16 Q. Who are the two lenders that you mentioned
17 FCC partners with?

18 A. We call them UG and TO, which is Universal
19 Guardian and Tuition Options. Those are private
20 lenders. However, students are not required to use
21 those lenders as options to pay for school. They are
22 allowed to pick whichever lender they feel most
23 comfortable with.

24 Q. What happens if a student defaults on a loan
25 from one of those two lenders?

1 A. I don't -- you would have to ask the lenders
2 what their process is for defaults.

3 Q. Does FCC take any action with the student if
4 the student defaults on a loan from one of those two
5 private lenders?

6 A. We do not take any action other than to
7 encourage them to work through those lenders to
8 provide solutions.

9 Q. Okay. Does FCC offer retail installment
10 loans?

11 A. Yes, we do.

12 Q. Who holds those loans?

13 A. FCC holds -- actually, I'm not completely
14 clear on who holds those loans. They're not loans.
15 They're retail installment contracts.

16 Q. Okay. Does FCC sell its retail installment
17 contracts?

18 A. I'm sorry. You cut out.

19 Q. I'm sorry, can you hear me now?

20 A. Yes.

21 Q. Does FCC sell its retail installment
22 contracts?

23 A. I do not know the answer to that.

24 Q. Okay. Do FCC or any of its employees take
25 action to collect on retail installment contracts?

1 A. They're expected to make monthly payments. If
2 they're required to while they're in school, yes, we
3 collect payments.

4 Q. And how large are those payments expected to
5 be?

6 A. They can range from zero to \$100, depending on
7 the unique situation of every student. The students
8 that apply for financial aid are also applying for
9 federal grants called Pell grants. They may receive
10 grants. They may not receive grants. They may
11 receive partial grants. So every student has a
12 different financial picture. They're unique and
13 individual to that student, which is why payments
14 could be different. You could have 10 students in a
15 classroom and all 10 of them have different payments.
16 Each student would have a different situation and that
17 would result in different payments and different loan
18 amounts.

19 Q. Is there anywhere in this document that
20 references retail installment contracts?

21 A. I do not see it.

22 Q. Okay. Who performs the collection activities
23 on the retail installment money?

24 A. We have collections personnel at each campus
25 who assist students in collecting those payments.

1 Q. What actions do those persons take to make
2 sure the student is repaying the monthly payments?

3 A. They meet with the students to review their
4 payments and balances and collect the payments.

5 Q. Do they arrange regular meetings?

6 A. No.

7 Q. So how do they -- I'm sorry. Finish.

8 A. No, that's okay, sorry.

9 Q. I was going to ask, how do they get ahold of
10 those students, or how do they expect to get ahold of
11 those students?

12 MR. OPRISON: Object to the form.

13 A. They are based at each campus and so our
14 collections personnel is familiar with the student
15 body. They typically know all the students attending
16 classes, and they will seek them out if they need to,
17 or some students just automatically know it's time to
18 make my monthly payment, and they'll go by the office
19 and make those payments.

20 Q. But for students who do not voluntarily go to
21 the office to make payments, what efforts are made to
22 track down those students who aren't paying?

23 A. They'll swing by the classroom during a break
24 and invite the student to come back to the office to
25 discuss.

1 Q. Do they call the students?

2 A. They may call the students. That might be
3 part of their contact efforts.

4 Q. Okay. Last question about this document,
5 just confirming, because I just want to make sure I'm
6 clear. Box 26 -- actually it's also Box 27.
7 Institutional loan refers to a private loan, not a
8 federal loan, is that right?

9 A. It could refer to a federal loan.

10 Q. So does institutional loan, could that refer
11 to any kind of loan?

12 A. That's my understanding.

13 Q. Could it refer to a retail installment
14 contract?

15 A. It could refer to that, yes.

16 Q. Okay. Is the retail installment contract
17 considered a loan?

18 A. No. It's a retail installment contract.

19 Q. When students meet with financial aid
20 officers, are they advised of the full cost of tuition
21 for the program they're enrolling in?

22 A. Yes.

23 Q. Are they advised of the nature and amount of
24 loans that they're taking out?

25 A. If they choose to take out loans, yes.

1 Q. Are they given paper documents confirming the
2 nature and amount of loans they've taken out?

3 A. Paper documents are available. The process is
4 electronic.

5 Q. Are financial aid representatives directed to
6 give copies of documents to students?

7 A. Upon request.

8 Q. Do any students attend FCC without taking out
9 loans?

10 A. Yes.

11 Q. How many?

12 A. We don't track the data. If a student takes
13 out a private loan, we may or may not be aware of
14 that. There's no way to track that at our office.
15 Some students pay cash, and I don't know if those were
16 loans or not.

17 Q. So is private loan money typically disbursed
18 to FCC from the lender or the student?

19 A. I wouldn't use the term typically. Private
20 loan money can be disbursed to the school. Depending
21 on the lender, it may be disbursed to the student.

22 Q. When you say the loan process happens
23 electronically, do you mean it shows up on a computer
24 screen like we discussed regarding admissions?

25 A. Yes. The process is electronic.

1 Q. And has that been the case since April of
2 2015 or did the policy change at some point?

3 A. I'm not aware of when or if it was part of the
4 process in 2015. It's been that way since 2018, since
5 I've joined the company.

6 Q. Is there a written process in place to
7 confirm that students understand what they're signing
8 on the screen?

9 A. Yes.

10 Q. And what does that written process say?

11 A. The written process, the policy is to review
12 the documents with the student in its entirety, and I
13 believe that was on one of the boxes from the previous
14 document you had. The students, they're explained the
15 entire method of paying for school, whichever way the
16 student has chosen to do so, and the students are made
17 fully aware upon electronically signing those
18 documents.

19 Q. How does FCC know that that policy is being
20 followed?

21 A. Our financial aid program is heavily regulated
22 by our state, federal, and regulatory body, and also
23 the Department of Education conducts extensive audits
24 to ensure that all of the processes are being followed
25 and that we remain fully compliant, which we are.

1 Our directors of admissions conduct training,
2 observations, and reviews with every financial aid
3 officer or student financial aid advisor. Our
4 regional director of student finance also conducts
5 observations, training, and compliance reviews. In
6 addition, we have financial aid support out of our
7 home office, who provides yet another review of the
8 processes and procedures to ensure we remain fully
9 compliant. The process of student loans receives
10 intense scrutiny from a number of areas in the
11 organization.

12 Q. Who is responsible for personally observing
13 financial aid officers to make sure that they are
14 properly informing students as to their loan
15 obligation?

16 A. Responsibility falls on the director of
17 student finance at every campus, along with the
18 regional director of student finance in every region.

19 Q. How frequently are these observations
20 conducted?

21 A. Can you please repeat the question?

22 Q. How frequently are these observations
23 conducted?

24 A. At least monthly depending on the skill and
25 experience and capability of the student finance

1 advisors.

2 Q. In a typical month, how many student
3 interactions are observed for a given representative,
4 financial aid representative?

5 A. There's no typical month for us. Every
6 situation is unique and highly variable depending on
7 what the students' situations are, the number of
8 students requesting information, the number of
9 students filling out loans. At least monthly for
10 every student finance advisor, we will conduct
11 observations and more if the student finance advisor
12 is in training or needs additional support.

13 Q. Do they always observe interaction with more
14 than five students?

15 A. Does who?

16 Q. The person who is responsible for conducting
17 observation oversight in the financial aid department.

18 A. I can't hear you.

19 (There was an interruption in video.)

20 (A discussion was held off the record.)

21 BY MR. TURI:

22 Q. Let me go back to oversight. You mentioned
23 there's a specific department responsible for
24 oversight of financial aid advisors that perform
25 observation.

1 A. The director of student finance along with the
2 regional director of student finance are directly
3 responsible for conducting observations with students
4 during the student financial aid process.

5 Q. Does every financial aid advisor have
6 observation for interaction with at least five
7 students per month?

8 A. I can't answer that. It's dependent upon each
9 student finance advisor, how many students they're
10 supporting, what their level of training is.

11 What I can tell you is every student financial
12 advisor is observed regularly to ensure compliance
13 with all state and federal guidelines.

14 Q. Okay. What percentage of FCC students take
15 out retail installment contracts?

16 A. I do not know the answer to that. It depends
17 on -- every situation is different, highly unique. To
18 know that, we would have to review thousands and
19 thousands of students.

20 Q. Is the aggregate data not tracked?

21 MR. OPRISON: Objection to the form.

22 A. It may be tracked by our chief financial
23 officer. I do not know that.

24 Q. Okay. Do retail installment contracts count
25 towards the 10 component of the 90/10 revenue?

1 A. They may. Yes, they may.

2 MR. OPRISON: Should we take our break now?

3 (A discussion was held off the record.)

4 (A lunch break was taken.)

5 BY MR. TURI:

6 Q. Mr. Adler, can you hear me more clearly now?

7 A. Yes, sir.

8 Q. Let's pick up on the general subject of the
9 financial aid process. You mentioned that both FCC
10 admissions and financial aid officers or advisors are
11 reviewed in compliance with state and federal law,
12 right?

13 A. Correct, as well as the accreditor, yes.

14 Q. Are they also monitored for compliance with
15 FCC's own policies?

16 A. Yes.

17 Q. Okay.

18 A. And the accreditor, you didn't mention the
19 accreditor, but also the accrediting body reviews our
20 financial aid process.

21 Q. Does FCC consider having a high school
22 diploma or GED to be relevant to whether a student is
23 going to benefit from completing the FCC program?

24 A. We consider the high school diploma or GED an
25 admissibility requirement.

1 Q. And you've made them for the programs for
2 which it is a requirement, correct?

3 A. The programs for which it is a requirement,
4 yes, and if they don't have those, then the ability to
5 successfully pass the ECPT test.

6 Q. Okay. So I'm going to turn to another
7 document now. It's the one I just put in chat. This
8 is more a one page. I think this is Exhibit 4.

9 (Exhibit No. 4, Welcome to FCC
10 Congratulations, was marked for identification.)

11 BY MR. TURI:

12 Q. Let me know when you can see it on the screen
13 in front of you.

14 A. I have it in front of me. Can we just clarify
15 we're on the same document?

16 Q. Yes. The document I see says Welcome to FCC
17 Congratulations, on page 1.

18 A. Yes.

19 Q. And at the bottom of page 1, it is marked
20 confidential IECSFL-006-0000428.

21 A. That's what I have, thank you.

22 Q. At the end of the second bullet point, it
23 says: Explain your role in student finance.

24 Is it correct that this is a document that is
25 part of the training for student finance personnel?

1 A. Yes. This is training for a financial aid
2 overview that would provide prospective students and
3 the talking points below are for our student finance
4 advisors' training.

5 Q. So is this an accurate representation of
6 talking points that were given to all financial aid
7 advisors across FCC campuses?

8 A. Yes.

9 Q. Who created this document?

10 A. The financial aid department created this
11 document.

12 Q. Let's turn to the next page, page 3.

13 A. Okay.

14 Q. So I note that page 3 says, at the text you
15 identified as talking points: So I would love to
16 learn a little bit more about you. What are three
17 reasons you're here today? What three words best
18 describe you? And so on.

19 Why are financial aid advisors told to ask
20 for three reasons that students are here today?

21 A. So these are guidelines, that they are to
22 assist the student finance advisor to help the
23 students with their comfort level, if they have
24 anxiety issues about how to pay for school. So these
25 are guidelines to help a student finance advisor build

1 rapport.

2 Students are often uncertain on how to pay for
3 school, and this training allows the student finance
4 advisor to engage in dialogue to build rapport and to
5 provide excellent customer service to our students.

6 Q. Why is it important for a student finance
7 advisor to maximize a prospective student's comfort
8 level?

9 A. It's part of the student experience. We want
10 our students to feel comfortable. We want them to
11 feel confident that we care about their situation, and
12 we want to make sure the students feel comfortable
13 asking questions if they have questions. We don't
14 want the student to leave feeling like the process was
15 cold and robotic and I didn't feel comfortable asking
16 questions about my specific financial situation.

17 So we need to put the students at ease so that
18 they understand and feel comfortable knowing exactly
19 what the options are to pay for school.

20 Q. Okay. Let's turn to page 7. Page 7 has a
21 slide that says: Types of Funding. And it has two
22 bullet points of what you've identified as talking
23 points?

24 A. Yes.

25 Q. The second bullet point reads: We also offer

1 institutional loans to help cover any remaining
2 balance after other resources have been utilized.
3 There's no credit check required for these loans.

4 Why are student financial aid advisors told
5 to emphasize that no credit check is required for
6 institutional loans?

7 A. We want to make sure the students are fully
8 aware of all the options to pay for school. And we
9 want to make sure the students understand all of the
10 ways to pay for school and what they entail. So, as
11 with any other product, we're going to answer what we
12 know about those products, scholarships ++ Wea
13 (phonetic) loans, grants, etc.

14 So this is just a detail of that particular --
15 this particular option.

16 Q. Why is no credit check required for
17 institutional funds?

18 A. That would be a question you would ask our
19 chief financial officer. I don't establish the
20 criteria required for that.

21 Q. Okay. The following sentence notes:
22 Repayment on this loan begins well in school.

23 Do you understand that to be referring to
24 retail installment contracts, or could that refer to
25 other kind of loans?

1 A. It's my understanding that is in relation to
2 the retail installment contracts.

3 Q. Okay. Last question about the particular
4 document, if you don't mind turning to page 8. Page 8
5 has a slide that says: Do I have your commitment?
6 And it has some bullet points, and I'm looking at the
7 last bullet point that says: Stop here. Do you see
8 where I'm at?

9 A. Yes, I do.

10 Q. Okay. This last bullet point reads: We want
11 100 percent commitment today, that when we ask for
12 documents we get a response back quickly and students
13 are aware of any deadlines.

14 Why is it important that financial aid
15 advisors say that they want 100 percent commitment
16 today?

17 A. We want to make sure the student is committed
18 to enrolling in your school. This is the opportunity
19 among many opportunities for our students to change
20 their mind, make a different decision, choose not to
21 enroll, and we want to ensure that the student is
22 making this choice on their own. If they're not
23 100 percent committed to going through with the
24 enrollment process, we will --

25 (There was an interruption in video.)

1 A. -- financial aid advisors that says if you
2 don't get comfortable, perhaps review the products
3 again. This is our statement saying no high pressure,
4 no harassment.

5 Q. I think I'm going to turn to another
6 document, so just give me one moment. The next
7 document will be in chat, so if you give your counsel
8 just a second to pull that up.

9 A. I see it.

10 Q. Does it read Student Finance Advisor Daily
11 Responsibilities Checklist?

12 A. Yes.

13 Q. Okay. This is a three-page document, marked
14 confidential IESFL-007-0000816.

15 (Exhibit No. 5, Student Finance Advisor Daily
16 Responsibilities Checklist, was marked for
17 identification.)

18 BY MR. TURI:

19 Q. Mr. Adler, do you recognize this checklist?

20 A. Yes.

21 Q. Is this document an accurate representation
22 of a student finance advisor's daily responsibilities
23 at Florida Career College?

24 A. Let me just review all three pages.

25 Thank you.

1 Q. Is this an accurate reflection of the daily
2 responsibilities of a student finance advisors at
3 Florida Career College?

4 A. Yes.

5 Q. Is there any difference between a student
6 finance advisor and a financial aid representative who
7 a student meets with when they enroll?

8 A. No. Those two are interchangeable.

9 Q. It's the same person?

10 A. Yes.

11 Q. Okay. Is this checklist given to all
12 financial aid advisors at all FCC campuses?

13 A. Yes.

14 Q. Okay. I'm on page 1. Under Opener, it says
15 pull students from class that are needed to complete
16 missing documents.

17 Why do student finance advisors pull students
18 from class?

19 A. To assist the students with completing the
20 documents for whatever options they've chosen to pay
21 for school. Some students start class before all the
22 documents are collected. And if that happens, we'll
23 gather the students and get that documentation
24 collected.

25 Q. Are students always pulled from class during

1 breaks?

2 MR. OPRISON: Object to the form.

3 A. Not always. Sometimes the students will come
4 see us on their own, but we try to minimize any
5 interruption to their class time. Sometimes we do
6 pull them from class depending on the situation.

7 Q. Okay. Do you mind turning to page 3. It's
8 the last page.

9 A. Yes.

10 Q. I'm on the third box on the list. It says:
11 Update accountability spreadsheet.

12 What is an accountability spreadsheet?

13 A. An accountability spreadsheet is a term that
14 we use, that, when we're discussing the student's
15 progress with our directors of student finance and our
16 directors of admissions, the accountability
17 spreadsheet is the tracking tool that campuses use to
18 stay organized as they discuss each individual
19 student.

20 Q. What is an IST-led training, the next box
21 down?

22 A. Yes, IST-led training is Irvine
23 support-team-led training. So this is training that
24 is conducted out of our corporate office by our
25 financial aid or other departments to our student

1 finance advisors.

2 Q. And so when you say corporate office, do you
3 mean --

4 A. IST.

5 Q. No, I understand. When you say corporate
6 office, do you mean IEC Corporation?

7 A. Yes, IEC Corporation.

8 Q. Okay. How are financial aid advisors trained
9 to advise students who say they can't afford to pay
10 for their education?

11 A. They're trained to explore what that means to
12 the student. And some students believe that they are
13 not eligible for financial aid or scholarships or
14 grants. They may have what they call bad credit or
15 situations, and often students don't fully understand
16 the process. So we explain to process to them.

17 Q. Are financial aid advisors trained to advise
18 students who have concerns about not being able to get
19 to school because of transportation issues?

20 A. Financial aid advisors would recommend that
21 the student discuss those concerns with their
22 admissions representative or the executive director or
23 directors of education. Student finance advisors
24 would defer that student to someone who can best
25 assist them with that particular issue.

1 Q. How would an admissions representative or any
2 of those other persons that you just described advise
3 the student on concerns about not being able to get to
4 school because of transportation issues?

5 A. They would explore the options on how to get
6 to school and make sure that those options are made
7 available to the student, and the student would then
8 choose which option is best for them.

9 And, at any point, if the student feels that
10 these issues are not -- they're not able to overcome
11 them to continue to school, that's okay. Students can
12 withdraw from school, and they'll receive a pro rata
13 refund of all of their tuition, and perhaps we can
14 explore the option at a future time.

15 But if they want to go to school, they want to
16 continue in school, but they can't figure out how to
17 get to school, then we're going to provide some
18 options and solutions for them to consider.

19 Q. Is that a written policy that students
20 receive a pro rata refund of all of the their tuition?

21 A. It's in the enrollment agreement that every
22 student reviews and signs upon enrollment.

23 Q. Okay. Does FCC have a policy regarding
24 whether staff can provide transportation for students
25 to get to school?

1 A. Yes, we have a policy on that.

2 Q. What is that policy?

3 A. Don't do it. It's not acceptable. We don't
4 provide rides to students. We have a transportation
5 policy that campuses can implement and follow, but no
6 individual person is expected to, allowed or required
7 to provide transportation to prospective or existing
8 students.

9 Q. Why are FCC personnel not permitted to do
10 that?

11 A. Again, highly regulated industry. State,
12 federal, accrediting body, standards that we have to
13 comply with. Someone may view that as an incentive to
14 enroll, an incentive to stay in school. So to ensure
15 we are not giving the impression of incenting someone
16 to start or remain in school, that policy protects us
17 from that situation.

18 Q. How do you verify that FCC staff is not
19 providing transportation to FCC students?

20 A. Well, we provide training of what the policies
21 are. We provide reminder training, remedial training,
22 follow-up training. We talk about incentives to
23 enroll or remain in school frequently and how those
24 situations are not acceptable.

25 And so the constant training, the constant

1 reminders, those are always in process to ensure our
2 staff, our colleagues, is compliant with that policy.

3 Q. Are any audits conducted the result of which
4 would show whether money was being spent to provide
5 students with transportation?

6 A. We review all of -- well, each campus
7 executive director has a corporate credit card.
8 Expenses that are spent using that corporate credit
9 card are reviewed monthly by myself, by our compliance
10 department, by our finance department.

11 So there's a system of oversight to ensure
12 that there aren't any charges on there that would be
13 considered transportation for a student.

14 Q. Can FCC staff members get reimbursed for cash
15 payments?

16 MR. OPRISON: Object to the form.

17 A. Not without receipts. To receive a
18 reimbursement, a colleague would be required to submit
19 receipts for the expense they're submitting. If that
20 expense is outside of our policies, that expense is
21 not approved.

22 Q. Okay. Is there an amount under which FCC
23 does not require a reimbursement?

24 A. There's an amount for meals, to my knowledge,
25 on the policy, and that, to my knowledge, is \$15. But

1 that's only related to meals, employee meals.

2 Q. And what happens if a receipt gets lost?

3 A. A colleague is instructed to reach back out to
4 the vendor or provider where they use their card and
5 get a replacement receipt.

6 Q. Does FCC train its employees to advise
7 students with certain life difficulties that it's not
8 a good decision for them to enroll?

9 MR. OPRISON: Object to the form.

10 A. Could you please repeat that, Michael?

11 MR. TURI: Sure. Chloe, would you mind?

12 (The requested portion of the record was read
13 by the court reporter.)

14 MR. OPRISON: Same objection.

15 A. The students make the decision to enroll. Our
16 admissions advisors provide what it's going to take to
17 be successful in our program. The students would make
18 that decision.

19 Q. Does FCC -- let me start over. Are FCC
20 advisors told to recommend that prospective students
21 ask family and friends to raise money for them to pay
22 for school expenses?

23 MR. OPRISON: Object to the form.

24 A. No, we do not tell prospective student to tell
25 family members to get money to pay for school. When

1 students tell us they are uncertain of how to pay for
2 school, we provide options of how to do that. We find
3 it common that family members want to support students
4 as they go to school.

5 Q. Okay. Are recruiters and admissions
6 representatives the same thing?

7 A. They use the term "admissions
8 representatives." We do not use the term "recruit."

9 Q. Does FCC employ recruiters?

10 A. No.

11 Q. Does FCC contract with third parties to
12 recruit prospective students?

13 A. How do you use the term recruit?

14 Q. To seek out prospective students to either
15 get them to reach out to FCC or come to campus.

16 A. Not to my knowledge, no.

17 Q. Do FCC admissions representatives cold-call
18 prospective student?

19 A. No, we do not. Every student that we engage
20 with has expressed an interest to come to school or
21 actually to get information about our school, and
22 those prospective students started the process.

23 Q. So is it the case that any time an admissions
24 representative calls a prospective student, that
25 prospective student has already reached out to FCC?

1 A. In nearly all situations. There's one
2 situation where that may not occur, and that's when an
3 existing student asks us or requests that we call
4 someone that they know to go to school. In those
5 situations, the student may not be aware that we're
6 calling, but when we explain that we're calling on
7 behalf of the person they know, that explains the
8 situation.

9 Q. Okay. Do FCC admissions representatives call
10 prospective students to ask if they're struggling to
11 find work?

12 A. That's not why we call, no. We call
13 prospective students who've expressed an interest in
14 learning mor information about what we offer, and
15 during that conversation, we may discuss their current
16 employment or future employment desires.

17 Q. Do FCC admissions representatives call
18 prospective students and state that they are seeking
19 information from the student about the job market?

20 A. No.

21 MR. TURI: Let me pull up another document.

22 This will be Exhibit 6.

23 (Exhibit No. 6, Document, Take Action, was
24 marked for identification.)

25 BY MR. TURI:

1 Q. It's a 13-pager. Let me know when you have
2 that in front of you.

3 A. I have it in front of me. Can I confirm we're
4 on the same document? And then I would like a few
5 minutes to review it.

6 Q. That's fine. The document I'm looking at, it
7 says Take Action. The first page is marked
8 confidential ICSFL-007-0001397, and it's deposition
9 Exhibit No. 6.

10 A. That's what we have, thank you. Okay.

11 Q. So on the first page, as I am sure you read
12 it, it says: Take action using the action plan to
13 increase your start rate and overall performance.

14 What is a start rate?

15 A. A start rate is the percentage of students
16 that enroll and then start. So the start rate would
17 be how many students start from those that you
18 enrolled.

19 Q. And why is a start rate important to FCC?

20 A. It's a performance measure. It's one of the
21 factors of our admissions representative.

22 Q. I'll note that many of the pages on this
23 Document 6, Stars is in the top right-hand corner.
24 What is Stars?

25 A. The training program we provide admissions

1 representatives.

2 Q. Is this document given to FCC admissions
3 representatives?

4 A. Yes.

5 Q. Who developed this document?

6 A. Our training department.

7 Q. Let's go do page 9. At the top, it says:
8 Examples of brain-storming.

9 A. Yes.

10 Q. Under the fourth bolded line that says: You
11 can also brain-storm this way. The passage I'm
12 reading says: What would be a good way for you to
13 raise money to buy a monthly bus pass? Would you be
14 willing to have a yard sale? Perhaps you can have
15 your friends and family collect cans for you and you
16 can exchange them for bus money. Would you be willing
17 to have a car wash to raise money for your bus pass?
18 Have you looked into any government agencies that
19 would be willing to fund your bus pass because you're
20 going to school?

21 Do FCC admissions advisors ask prospective
22 students to have family and friends collect cans for
23 them in exchange for bus money to get to campus?

24 A. Admissions representatives are trained to
25 engage with prospective students about their intent to

1 enroll in our program. If the students are struggling
2 with I want to do this, I'm not sure how to pay for
3 this, this is training for your admissions
4 representatives to give them permission to say, well,
5 let's figure this out together. Let's think of some
6 ways that would help you fulfill your desire to
7 complete this program. That's what this document
8 says. That's what it means, and that's our admissions
9 representatives use it for.

10 If a student is choosing our program and has
11 made decision to enroll, but is struggling with
12 certain objectives, our admissions representatives are
13 trained to provide options for the student.

14 It's up to the students to decide what they
15 can and cannot do. We have a number of opportunities
16 for the students to change their minds or withdraw,
17 including after they start, and there's a period of
18 time when the student can start with us and withdraw
19 and receive a full refund or a pro rata refund.

20 But if a student wants to attend and they're
21 telling us that, that's their decision and they're
22 asking us for help, this is how we provide that help.

23 Q. Is there any prohibitions on what FCC
24 employees can recommend to students to do in order to
25 afford their education?

1 A. That's a pretty broad question. You know, we
2 don't want students to do anything that's criminal or
3 that would violate compliance or would create
4 additional undue hardships.

5 To answer your question, is there anything
6 prohibited? I would say there are lots of things that
7 are prohibited, but I wouldn't be able to give you
8 specific details without a specific situation.

9 Q. How do FCC admissions representatives
10 determine what would present an undue hardship to a
11 prospective student?

12 A. Our admissions representatives do not
13 determine an undue hardship. The students determine
14 undue hardship. We provide options and solutions. If
15 a student can overcome those challenges, then they
16 will enroll. If they can't, then they won't.

17 Q. Let's go down to page 12. At the top it's
18 entitled: After your student leaves.

19 A. I see that.

20 Q. The final sentence: Students who do not
21 follow through with the items on the action plan are
22 red flags and should be discussed immediately with
23 your DOA.

24 That's director of admissions, I assume.
25 What does it mean for a student to be a red flag?

1 A. When we are reviewing the students who have
2 indicated the desire to enroll in our program. We
3 count those students as if they are going to start the
4 program, and we begin to order their books, their
5 uniforms, their tablets, student supplies, student
6 materials, we alert our educational staff.

7 So the student that is intending to enroll
8 triggers the support system to prepare that student be
9 successful. If at any point we feel that that student
10 is now changing their mind, we need to alert the DOA
11 who would then stop the process for that particular
12 student so that we're not spending anything that we
13 need to spend for a student that may or may not start.
14 That's one example of why we call it a red flag.

15 Q. Does the student who then changes their mind
16 owe any financial obligation on any of the materials
17 you just described?

18 A. Prior to starting the program, no, they do
19 not.

20 Q. What about after starting the program?

21 A. It depends on when they change their mind. If
22 they change their mind in the first 14 days, they will
23 owe nothing. After 14 days, it's a pro rata refund of
24 any loans that they may have borrowed that are
25 returned to the lending institution.

1 Q. What is discussed with the director of
2 admissions about so-called red flag students?

3 A. The specific details of that student, what's
4 going on with the student, what their situation is,
5 why they may not start, why they may need to delay the
6 start. It could be a number of things.

7 Essentially, what this document means is that
8 this is someone we expected to start in our program
9 and, for whatever reason, we feel that they are not
10 going to at this time.

11 Q. Okay. I'm going to turn away from this
12 document and go to the next one, which I'm putting in
13 the chat now. Let me know when you have that document
14 open.

15 A. I have it open.

16 Q. Does yours say: Inspiring Contacts and
17 Empowering Them to Show?

18 A. Yes.

19 Q. I'll let you glance through this.

20 MR. TURI: I'll note for the record it is
21 marked confidential IECFL-011-0001039, and this is
22 Exhibit 7.

23 A. Give me a moment.

24 Q. Yes.

25 (Exhibit No. 7, Inspiring Contacts and

1 Empowering Them to Show, was marked for
2 identification.)

3 BY MR. TURI:

4 Q. Let's go to page 12 Effective Calling Secret
5 No. 5. Are we on the same page?

6 A. Yes, I see that.

7 Q. It reads: Open up the call for problem
8 statement. First of all, you just reviewed this full
9 17-page document?

10 A. Yes.

11 Q. This is an also a document that reads Stars?

12 A. Yes.

13 Q. So it's part of the Stars admissions training
14 process?

15 A. Yes.

16 Q. And so is this a document that's given to all
17 admissions reps as part of their training at Florida
18 Career College?

19 A. The document is reviewed. I'm not certain if
20 it's provided, but we do review this with all
21 admissions representatives, yes.

22 Q. Okay. So the beginning of this particular
23 slide, it reads: Hi, my name is Sherry, and I'm
24 calling from FCC, and I was wondering if you could
25 help me with something. Your prospect will answer

1 yes, because they will be naturally inclined to help
2 you.

3 MR. OPRISON: I think I'm on the wrong page.
4 Can you tell me what page you're on?

5 MR. TURI: This is PDF page 12. The Bates
6 number is 011-0001050.

7 MR. OPRISON: I'm sorry, we were on the page
8 before.

9 MR. TURI: The page before also has the same
10 heading, so I can see why that's confusing.

11 BY MR. TURI:

12 Q. Same heading, different page, let me start
13 over, the beginning below the heading on this page
14 reads: Hi, my name is Sherry, and I'm calling with
15 FCC, and I was wondering if you could help me with
16 something.

17 Are FCC admissions representatives encouraged
18 to make phone calls to prospective students like the
19 example on this page?

20 A. Admissions representatives at FCC are trained
21 to make phone calls to prospective students. This is
22 one method that may help them overcome the
23 initial building rapport stage with the student. So
24 this is an example of what they could do. It doesn't
25 mean that they're required to do it.

1 Q. Would a call like this only be made to
2 prospective students who have already reached out to
3 FCC?

4 A. Yes.

5 Q. So this would not be done as a co-called cold
6 call?

7 A. Could you define "cold call" for me?

8 Q. Would this be done as a cold-call, by which I
9 mean somebody who has never had any communication with
10 FCC?

11 A. Outside of the referral I just previously
12 mentioned, we do not do cold calls at all. Every
13 student that we call has expressed an interest in
14 getting more information about our campuses or
15 programs or training or ability to be successful in
16 exploring their educational goals. So everyone we
17 call has initiated the contact.

18 Q. How does FCC define a cold call?

19 A. We don't. We don't have cold calls. Well,
20 let me rephrase that. When you see cold call on these
21 slides, that's referring to a student who we may not
22 have spoken to in a while. But in all cases, we are
23 only calling students that have expressed an interest
24 in getting more information with the exception of the
25 referrals I mentioned.

1 So we may consider that a cold call because
2 it's been a while since we called that student and
3 they may not remember, but we do not call students who
4 have not expressed an interest in receiving
5 information.

6 Q. Do you call students who have not received an
7 interest in receiving information specifically from
8 Florida Career College?

9 MR. OPRISON: Object to form.

10 A. Please repeat it.

11 Q. I'll rephrase it. You said you do not call
12 students unless they've expressed an interest in
13 receiving information. Do they have to express an
14 interest in receiving information specifically about
15 FCC, or could it be a student that's expressed an
16 interest about education generally somewhere on the
17 internet?

18 MR. OPRISON: Object to the form.

19 A. It could be a number of things. It could be a
20 question about FCC. It could be a question about our
21 programs. It could be a question about our campus
22 locations. It could be a question about career
23 training. It could be a question about the length of
24 programs. There's any number of reasons why students
25 request information from us, and they're very broad

1 and wide ranging.

2 Q. Does FCC call prospective students who have
3 never heard of FCC?

4 MR. OPRISON: Object to the form.

5 A. I can't answer that. I can't answer if
6 they've ever heard of us or not. What I can say is
7 that they've requested information about career
8 training, education, minimally.

9 Whether or not they've ever heard of FCC or
10 not, I don't know. I can't answer that. You would
11 have to ask the students.

12 Q. Okay. Let's go down one page just to the
13 next page. The header reads: Effective Calling
14 Secret No.k6, Recognize and Diffuse Hidden Pressures.

15 What does it mean to diffuse hidden
16 pressures?

17 A. When students make the decision to get
18 information about going back to school, it's not
19 uncommon for them to have challenges in order to do
20 that. They may say this isn't the right time for me,
21 and we want to explore, is the right time in the
22 future or is the right time never? We don't want to
23 ever harass a student into coming.

24 So in order to continue providing support, we
25 need to get some information from the student. If

1 during the conversations with these students we
2 discover they don't ever want to go to school, then
3 we're going to put them on a do-not-call list and not
4 call them again.

5 Q. What are the criteria for placing a person on
6 the do-not-call list?

7 A. At the request of the student.

8 Q. What does the student have to say to go on a
9 do-not-call list?

10 A. Some form of do not call me, do not contact
11 me, something to that effect, which would indicate
12 that they are no longer interested in gathering
13 information, and, at that point, we put them on the
14 do-not-call list, and we do not call them.

15 Q. If a student states that they're not
16 interested in attending FCC, does not put them on the
17 do-not-call list?

18 A. It would not, no.

19 Q. Let's go to page 15, the header reads Cold
20 Calling Secret No. 7, Determine a Fit and if a
21 Calendar Relationship Makes Sense. Do you see page
22 15?

23 A. Yes.

24 Q. I notice there's a person on the left holding
25 like a watch of some sort. It says, in quotes, I

1 think we should get together in person. I know I can
2 help. Urgency in setting the appointment is still
3 critical.

4 Why is there an urgency for setting
5 appointments with prospective student?

6 A. It's a standard customer service expectation.
7 If a student has expressed an interest in getting
8 information, we want to get that information to them
9 as quickly as possible. If a student has requested
10 that information and we do not respond timely, we find
11 that that is considered a negative when we talk to our
12 students.

13 They want their answers answered quickly.
14 They want the information in a timely fashion. And if
15 we don't do that, students will share that information
16 with us that they're unhappy with that.

17 Q. Are admissions representatives at FCC
18 evaluated based on their start rate?

19 A. That is one component of a number of areas
20 that admissions representatives are evaluated.

21 Q. So I think, Mr. Adler, you said before FCC
22 does not use recruiters other than the admissions
23 representatives who work at each campus, is that
24 correct?

25 A. We use the term admissions representatives,

1 not recruiters. We do not employ outside admissions
2 representatives.

3 Q. Are there persons who FCC calls admissions
4 representatives who's sole job is to make phone calls?

5 A. We have -- we do have colleagues that are in
6 call centers, that will call students, make contact,
7 but they're not admissions representatives. If they
8 make contact with a student, they will transfer those
9 calls to an admissions representatives.

10 So we do not -- I do not call those admissions
11 representatives, nor does the company.

12 Q. Does FCC own those call centers?

13 A. FCC has an existing call centers that we used.
14 We have used others in the past. However, currently
15 we are using internal employees.

16 Q. You mentioned you would not call those people
17 admissions representatives. What is their job title?

18 A. Call center representatives.

19 Q. Call center reps, okay. How are call center
20 reps evaluated?

21 A. They're evaluated on a number of factors.
22 Their customer service. They're ability to interact
23 with students in a friendly professional manner.
24 Their adherence to all compliance and regulatory
25 standards. Those are just a few of those. The call

1 center is managed by a call center director. A call
2 center director is responsible for compliance
3 standards of those individuals.

4 Q. Is there a separate call center are each
5 campus?

6 A. No.

7 Q. Is there a separate call center for each FCC
8 program?

9 A. No.

10 Q. What is a lead sheet?

11 A. A lead sheet is the information that we
12 receive when we conduct our marketing program. The
13 lead sheet contains everything we get from the lead
14 itself, which is very limited. We get name. We get
15 e-mail address. We get telephone number. We get
16 program of interest.

17 That information is compiled and produced and
18 provided to our admissions representatives to call.
19 Those are the lists of students who have expressed an
20 interest in receiving information.

21 Q. Who compiles and produces those lead sheets?

22 A. The list is -- there's two ways. The primary
23 way is electronic from the vendor that we used to
24 obtain to lead for us. That lead is distributed
25 electronically from their lead gathering, information

1 gathering system into our lead management system. So
2 one machine talking to another machine.

3 Our directors of admissions can then go in and
4 print that information if they want provide that. So
5 the lead sheet can be paper, but it's printed from
6 your lead management system, which is electronic.

7 Q. What third party does FCC engage with to
8 produce leads?

9 A. Thousands. We have thousands of vendor
10 relationships who may obtain information from students
11 that are interested in learning more about our
12 schools?

13 Q. Are these lead sheets given to admissions
14 representatives as prospective student to make phone
15 calls to?

16 A. Yes. These are all students who's expressed
17 an interest in gather more information, and that
18 information we obtain is provided to the admissions
19 representatives.

20 Q. How does that the person or people on the
21 lead sheet has expressed an interest in the Florida
22 Career College?

23 A. We only obtain these leads from our vendors
24 and. We have very specific criteria on how to obtain
25 those leads. That criteria is part of our overall

1 compliance. It is audited by state, federal, and our
2 accrediting body. So this information is highly
3 produced, highly compliant and highly evaluated to
4 insure we remain within our standards. So long answer
5 to say we only obtain leads that have been vetted as
6 having an interest in career training programs for our
7 school.

8 Q. Does FCC engage with affiliate marketing
9 companies?

10 A. Yes.

11 Q. Do FCC's lead generators and affiliate
12 marketers identify themselves as job search website?

13 A. I don't know that information. The vendor
14 relationships that we have, those vendors can place
15 their product at places that they choose. We provide
16 places that they're not allowed to put them on, but
17 the vendor chooses where to put those gathering tools.

18 Q. Where are they specifically not allowed to
19 hunt for those leads?

20 A. One example would be a pornography site or any
21 similar website that does not represent our product.

22 Q. Has FCC ever used a lead generator called ++
23 Quinn Street (phonetic)?

24 A. I don't know answer to that. We have
25 thousands of vendors that we've used. I don't know.

1 Q. What person or persons at FCC engage directly
2 with these vendors?

3 A. Our senior director of marketing would be the
4 person responsible for engaging with these various
5 vendors.

6 Q. Who is that?

7 A. Esther Duong.

8 Q. Was Esther Duong in that position as of Aril
9 of last year?

10 A. Yes.

11 Q. So is it the case that FCC has contracts with
12 these various third-party, lead-generating vendors?

13 A. Yes, that is accurate.

14 Q. Are these vendors given any financial
15 incentive to generate a certain number of leads over a
16 particular period of time?

17 A. I'm not aware of what the contractual
18 agreement is. We do pay for the leads. So there is a
19 monetary exchange. But I don't know if there's an
20 incentive based on volume.

21 Q. Okay. Let me briefly just go back to the
22 call center. Is there a script for what call center
23 employees say when they contact prospective students?

24 A. We don't use to word script we use suggestive
25 guidelines and our staff has suggested language.

1 Q. Who trains the call staff?

2 A. The corrector of the call center.

3 Q. To whom does the call center director report?

4 A. To my knowledge, they report to the chief
5 financial officer.

6 Q. Who develops the guidelines that are given to
7 call center employees?

8 A. The director of the call center will develop
9 the guidelines and gain approval from our compliance
10 department and their supervisors. There's a number of
11 people that approve all of our policies and
12 procedures, and that department would be no different.

13 Q. Okay. Are there any terms or any language
14 that call center employees are not permitted to say?

15 A. Yes, again, being a highly regulated industry
16 from state, federal, and accrediting body call center
17 employees have to follow the same guidelines that all
18 of us have to follow. We cannot make any promises or
19 provide any misinformation in any way to any
20 prospective student.

21 Q. What steps are taken to insure that call
22 center employees are complying with FCC's various
23 guidelines?

24 A. Call center employees, their calls are
25 monitored by the director of the call center and those

1 observations are conducted with every call center
2 employee.

3 Q. And how frequent are those observations?

4 A. At least once per month and more as needed to
5 insure compliance and adherence to policies and
6 procedures.

7 Q. Are written records kept of any instances
8 where call center employees are deviating from
9 expectations?

10 A. I do not know. That would be a director for
11 the director of the call center.

12 Q. Okay. I'm going to move on to additional
13 questioning concerning visual marketing. Mr. Adler if
14 you tell to take a break I'll leave it to you.

15 THE WITNESS: Yes, a 5-minute break.

16 (A short break was taken.)

17 BY MR. TURI:

18 Q. What department at FCC deals with marketing
19 and advertising?

20 A. Our marketing department deals with marketing
21 and advertising.

22 Q. Who is the director of that department?

23 A. Esther Duong. She is the one I spoke to
24 earlier about our vendor list. When I said thousands
25 of vendors, I meant thousands of leads. We work with

1 vendors to generate. So there's not thousands of
2 vendors. I want to clear that it up.

3 Q. Thank you, I appreciate that.

4 So does FCC advertise its programs on the
5 radio?

6 A. We have in the past, yes.

7 Q. On television?

8 A. In the past we have, yes.

9 Q. Not anymore?

10 A. We don't currently view that as a media source
11 that is something that returns our investment of
12 advertising dollars.

13 Q. What is the best source of return on
14 investment on FCC's advertising dollars?

15 A. Currently, the best source would be a student
16 that does their own internet search, finds our schools
17 via the internet, and submits a request for
18 information through that media.

19 Q. Does FCC advertise on social media?

20 A. Yes.

21 Q. Facebook?

22 A. Yes.

23 Q. Does FCC engage in third' party vend Stars
24 handle marketing and advertising?

25 A. Yes.

1 Q. Are those third-party vendors given direction
2 as to what the content of FCC ads, should be?

3 A. Yes.

4 Q. Is there criteria in writing that's given to
5 third' party vendors on what the content of FCC ads
6 should be?

7 A. Yes, our vendors, again highly regulatory
8 extremity we must remain compliant with our regulatory
9 bodies and all of our marketing materials are vetted
10 through our marketing department as well as our
11 compliance department, and our vendors are expected to
12 comply with all of those standards.

13 Q. Does FCC indicate what its target market is?

14 A. No.

15 Q. Does FCC have a target market?

16 A. No.

17 Q. Does FCC indicate any particular target
18 demographic?

19 A. No.

20 Q. Does FCC affirmatively reach out to
21 third-party vendors or does FCC use a vendor to allow
22 vendors to apply to FCC?

23 MR. OPRISON: Objection.

24 A. Both we engage with vendors we use in the past
25 and often receive a request to engage with new

1 vendors. We get solicited for a relationship and
2 that's up to the marketing department to determine if
3 we engage with those folks that solicited them.

4 Q. To your knowledge in April 2015 through
5 April 2020, has FCC contracted with any vendor to
6 provide marketing to a particular target demographic?

7 A. No.

8 Q. Okay. You mentioned that FCC in the past
9 advertised on television?

10 A. Yes.

11 Q. How do FCC vendors determine which television
12 stationary programs to advertise on?

13 A. At the time we were using television, the
14 determination would be to get their greatest return on
15 the advertising dollars and we would want to expose
16 that commercial or advertisement to as many folks as
17 we can to see if they have an interest in our
18 programs.

19 Q. How does FCC choose its third' party
20 marketing vendors?

21 A. That's a question you would have to ask
22 Esther.

23 Q. What percentage of FCC's annual budget is
24 from marketing advertising?

25 A. I don't know the specific numbers of what the

1 percentage is.

2 Q. Let's go to another document. Mr. Adler, let
3 me know when you have that in front of you?

4 A. I have it in front of me.

5 Q. For me this needed to be rotated. I don't
6 know if you have the same issue.

7 A. We have it rotated properly.

8 Q. The document in front of me reads visual
9 brand guidelines 2017, confidential
10 IECSFL-009-0000652. This will be Exhibit 8.

11 (Defendant's Exhibit No. 8, FCC's Visual Brand
12 Guidelines, was marked for identification.)

13 BY MR. TURI:

14 Q. Do you recognize this document?

15 A. I do recognize the document. Allow me a few
16 moments.

17 Q. Yes, go ahead.

18 A. Thank you.

19 Q. To your knowledge, has FCC's visual brand
20 guidelines been updated since 2017?

21 A. I'm not sure. These look correct.

22 Q. Who creates FCC's visual brand guidelines?

23 A. Our marketing department.

24 Q. Okay. So I am going to page 19 of the PDF.
25 It says 17 in the bottom right, so I just want to

1 clarify, it's the page that reads guidelines
2 photographer don'ts. Let me know when you're there?

3 A. I'm there.

4 Q. Who developed this list of photography
5 don'ts?

6 A. Our marketing department.

7 Q. Is this still in effect, to your knowledge?

8 A. Yes.

9 Q. Is this -- to whom does this guideline apply?

10 A. The guideline applies to marketing material
11 and collateral advertisements.

12 Q. Is this given to photographers for taking
13 pictures?

14 A. It's possible. It could be provided to an
15 outside vendor.

16 Q. Okay. Why are photographers or outside
17 vendors or persons to whom this document is given told
18 not to photograph people predominantly under the age
19 of 25?

20 A. Marketing is a complex and sophisticated of
21 your business. We have data to support what your
22 students respond to, we have data to support what your
23 prospective student respond too. All this data is
24 based on feedback from prospective student and all of
25 this information is what our students have told us

1 they resonate to and respond to in photography media.

2 Q. Does the same go for directing vendors not to
3 take photographs of predominantly white people?

4 A. Our marketing department has performed
5 objectives as well. Their budget is dependent on how
6 many students will respond to the advertisement or
7 media in front of them. And they're going to want to
8 get as many responses as they can. So we would
9 provided our guidelines to outside vendors to ensure
10 that we maximize our advertising dollars.

11 Q. What do you mean by maximize your advertising
12 dollars?

13 A. In order to keep the costs of division low we
14 have to control costs that are spent from that
15 tuition. So we want to spend as little in advertising
16 as possible. So that keeps to situation under role.
17 We have to control all the costs and that includes
18 advertising.

19 Q. So I believe you mentioned these guidelines
20 are based at least in part on feedback from students,
21 right?

22 A. Yes.

23 Q. When has FCC solicited feedback from students
24 on its marketing visuals?

25 A. Consistently and based on the number of

1 responses to our advertising efforts. So est are
2 gangs may have 12 pictures of an HVAC lab and pictures
3 2, 4, and 7 elicit responses and the others may not.
4 So all the evidence is gathered to ensure we're using
5 media that's compliant and effective.

6 Q. You mentioned about keeping tuition low, and
7 the next topic I'm turning to concerns tuition. Are
8 you aware of the current tuition to the HVAC program?

9 A. Yes. Tuition costs?

10 Q. Yes.

11 A. Yes.

12 Q. And where are those numbers found?

13 A. They're found in the course catalog for each
14 campus.

15 Q. Does the cost of a given program like HVAC
16 differ across campuses?

17 A. No.

18 Q. Does it same go for the medical assistant
19 technician program?

20 A. The cost of the medical assistant program is
21 the same in all of our campuses.

22 Q. Same in computer technician?

23 A. Yes.

24 Q. And computer network technician?

25 A. Yes.

1 Q. What factors are considered in how the
2 tuition number is set?

3 MR. OPRISON: Object to the form outside the
4 scope, limitation.

5 A. Tuition involves a significant number of
6 factors, the cost of doing business includes facility
7 costs, equipment costs, material costs, appliance
8 costs, advertising costs, staffing, labor, insurance,
9 taxes. All of these factors determine the division.
10 The analysis of all the things that cost to run a
11 business and provide an education opportunity to our
12 students.

13 Q. As one of those factors does FCC consider the
14 division of similar programs at other schools?

15 A. Typically we do not. We analyze the cost for
16 us to run the program.

17 Q. Does FCC consider community programs?

18 A. Yes, we are aware that there are other schools
19 offering similar programs.

20 Q. Does FCC consider the tuition of comparable
21 programs specifically at community colleges?

22 MR. OPRISON: Object to the form.

23 A. No, community colleges have a different
24 business model than ours. They may have taxpayer
25 assistance that we do not have. So that's apples and

1 oranges when you compare the division costs.

2 Q. Is FCC aware of any discrepancy in tuition at
3 community colleges for similar programs?

4 MR. OPRISON: Objection.

5 A. We know there are differences, but we do not
6 price our tuition based on what community colleges do.

7 Q. How often is tuition pricing reviewed?

8 A. Tuition pricing a reviewed every year.

9 Q. How often does it usually go up?

10 A. There is no pattern of the increases. It may
11 go up in one year and it may not in another year. Our
12 efforts are to keep the division as low as possible to
13 make it affordable for our prospective student.

14 Q. Has tuition in any of the four programs we
15 discussed ever been decreased?

16 A. Not to my knowledge.

17 Q. On what basis is tuition increased?

18 A. The cost of doing business. Every year all of
19 our costs to operate a program are evaluated. What we
20 typically find is that those costs are increasing.
21 Our suppliers and vendors raised their prices. Our
22 materials have gone up to employ our colleagues
23 performance evaluation increases cost of living
24 increases, so everything it takes to run the campus
25 typically increases which may or may not result in the

1 increase of tuition.

2 Q. Are there annual records for the cost of
3 doing business annually for each program?

4 A. Yes, generally we have an idea what each
5 program costs to start the program, to buy the
6 equipment so we have a generally knowledge of the cost
7 to implement the program.

8 Q. As a validity of a review that results in an
9 increased tuition, are there written records?

10 MR. OPRISON: Object to the form.

11 A. I don't know that would be a question for a
12 chief financial officer.

13 Q. Is that ++ Mr. Sardona (phonetic)?

14 A. Yes.

15 Q. How does FCC determine the expected total out
16 of pocket expenses of their students?

17 MR. OPRISON: Objection, scope, you can
18 answer.

19 A. Repeat the question.

20 Q. How does FCC determine the expected total out
21 of pocket expenses of its students to complete an FCC
22 program?

23 MR. OPRISON: Same objection.

24 A. This is a complex analysis that's highly
25 unique to each individual student. Some students may

1 receive full pel grant award and some partial. Some
2 receive grants, additional sources of funds, and every
3 student is individual so there's no way to determine
4 broadly what every student's out-of-pocket expenses
5 would be. We would have to analyze that individually.

6 Q. Other than the information that's posted in
7 the catalog, is any step taken with each individual
8 student to make sure they know their predicted
9 out-of-pocket expenses for completing the program?

10 A. Yes, a comprehensive review is provided to
11 each student of what their out-of-pocket expenses are
12 going to be and a disclosure is signed by every
13 student as part of the enrollment process indicating
14 their awareness of what those out-of-pocket expenses
15 are.

16 Q. When does not comprehensive review you
17 mention take place?

18 A. It takes place during the enrollment process.

19 Q. Are you aware that some FCC have defaulted on
20 federal student loans?

21 A. Yes, I'm aware of that.

22 Q. Are you aware that some FCC students have
23 defaulted on private loans?

24 A. Yes.

25 Q. Does FCC track default rates of its students

1 on federal and/or private loans?

2 A. There are defaults. Not every student pays
3 all of their loans, right? So there's going to be
4 defaults. So we support our students in trying to
5 ensure that they remain current on their payments and
6 do what -- provide what support we can for each of our
7 students.

8 Q. Understood. Though, my specific question is
9 does FCC track how many or what purge of students are
10 going into fault?

11 MR. OPRISON: Objection, outside the scope.
12 You can answer.

13 A. We track default rates that are broad default
14 rates to ensure that we remain compliant with the
15 default guidelines measured by regulatory bodies. So
16 we're in good standing with your default rates, and
17 our default rates are improving in terms of fewer
18 students are defaulting currently.

19 Q. Are there any circumstances in which FCC has
20 to buy back a private loan if a student defaults on
21 it?

22 MR. OPRISON: Objection outside the scope.

23 MR. TURI: Chloe, read that back.

24 (The requested portion of the record was read
25 by the court reporter.)

1 A. That would be a question for our chief
2 financial officer.

3 Q. I want to briefly get back to our discussion
4 we were having I don't know if it was before lunch,
5 but we were talking about retail installment
6 contracts. What happens if students are not able to
7 keep up with their payments on retail installment
8 contracts?

9 MR. OPRISON: Object to the form.

10 A. We often provide additional support to the
11 student, perhaps different payment plans. We want to
12 explore what the reasons are that they're unable to
13 keep up with their payments. If it's income-related,
14 we may direct them to our career services department
15 to help them look for jobs while they're in school.
16 But we work with every student to support them.

17 Q. Does FCC withhold student transcripts from
18 graduates who are not current on their retail
19 installment payments?

20 A. We withhold official transcripts.

21 Q. Does FCC withhold diplomas or graduation
22 certificates?

23 MR. OPRISON: Objection to form, outside the
24 scope, as was the last question.

25 You can answer.

1 A. We so, as is customary in the industry for not
2 only our type of school but for traditional schools as
3 well.

4 Q. What percentage of students does FCC expect
5 to default on their loans?

6 MR. OPRISON: Object to the form, outside the
7 scope.

8 A. Could you please repeat that?

9 MR. TURI: Chloe, could you read that back.

10 (The requested portion of the record was read
11 by the court reporter.)

12 MR. OPRISON: Object to the form, outside the
13 scope.

14 A. I do not know that we expect students to
15 default on their loans.

16 Q. Do FCC's financial projections take into
17 account any expected default rate of students?

18 MR. OPRISON: Objection, outside the scope.

19 A. FCC's financial projections include a portion
20 of our financial projections that may involve students
21 loan payments that have not been paid.

22 Q. Who would be the best person to ask about
23 that topic?

24 A. Our chief financial officer.

25 Q. Okay. Does FCC hold annual trainings for all

1 of its employees?

2 A. Yes.

3 Q. If there are changes in policy that occur
4 between annual trainings, do training sessions take
5 place on new policy?

6 A. Frequently, yes.

7 Q. I'm going to move on to career placements and
8 I'll start document I'll put in chat.

9 (Exhibit No. 9, Career Services Training
10 Series, the Climate of Our Industry, was marked for
11 identification.)

12 BY MR. TURI:

13 Q. In front of me I have a career services
14 document. Let me know when you have pulled up the
15 document.

16 A. I have it.

17 Q. Mine reads Career Services Training Series,
18 the Climate of Our Industry. And it is marked
19 confidential IECSFL-011-0000798. Do you have the same
20 document?

21 A. Yes, thank you.

22 Q. Why don't you take a minute to look over it,
23 and I will ask you some questions.

24 A. Okay. Thank you.

25 Q. So when you have a moment, I'm on page 7 of

1 PDF, a slide that starts with IEC has stayed ahead of
2 the curve. The second bullet point reads create under
3 Soco S-o-c-o process. What is the Soco process?

4 A. I'm not familiar with that term. This is a
5 document that is very old as indicated by some of the
6 data. I'm not familiar with that term.

7 Q. Does FCC engage in any internal review
8 process of job placement?

9 A. We do significant review. This is an area
10 that is highly regulated and compliance with this
11 particular area is critical to remaining compliance.
12 So we have when our career services department
13 indicates that is student has been placed in a field
14 of study that matches their -- when a student that
15 graduates is placed in a job that matches their field
16 of study, we consider that a placement. And then our
17 compliance department, which is a different entity,
18 would then review and validate whether or not that
19 placement is considered valid.

20 Q. Other than internal review, does FCC retain
21 any third parties to verify the validity of job
22 placements?

23 A. No, we do not retain third parties. We have
24 the state and our 1 body. They perform those audits
25 on a regular basis, both announced and unannounced.

1 Q. And are those audits documented?

2 A. Yes, those audits are documented and verified
3 multiple times.

4 Q. During the period of April 2015 to
5 April 2020, has FCC at any point retained a third
6 party to do job placement verification?

7 A. I'm not aware from -- 2018 to current, we have
8 not retained a third party. I'm not familiar prior to
9 that time.

10 Q. Does FCC's review process required signed
11 verification from employers?

12 A. Yes.

13 Q. Does FCC ever accept verbal verification from
14 employers?

15 A. No, we require signed documents verifying
16 employment.

17 Q. Does FCC verify a student's salary?

18 A. We do not.

19 Q. Does FCC verify the length that a student has
20 been employed in that position, length of time?

21 A. No.

22 Q. Does FCC categorize job placements is in
23 filled out of field and holed field?

24 A. Yes.

25 Q. Does FCC take steps to internally validify

1 waivers?

2 A. Yes, our compliance department reviews all
3 waivers.

4 Q. Including self-employment waivers?

5 A. Yes, all waivers are reviewed.

6 Q. Including documentation from students who say
7 they refused employment?

8 A. Yes, the compliance department reviews all
9 waivers.

10 Q. During the period from April 20, 2015, to
11 April 20, 2020, has FCC ever had a program or a campus
12 fall below in accreditor's job placement standards?

13 A. From 2015 to 2020 I don't recall any specific
14 campuses that may have knowledge below.

15 Q. So you don't recall?

16 A. No.

17 Q. During the time period from April 2015 to
18 2018 did you review any documents whether FCC fell
19 below 1 bench marks?

20 MR. OPRISON: Object to the form.

21 A. I have not reviewed documents indicate whether
22 or not they followed below accrediting benchmarks.
23 I'm not aware of any from 2018 to 2020, but we review
24 this data on a regular basis and insure that we are in
25 full compliance with our accreditor guidelines. We

1 are in compliance with our accreditor guidelines.

2 Q. Does FCC document communication from its
3 accreditors?

4 A. Yes.

5 Q. To your knowledge from April 2015 has any
6 accreditor indicated to any FCC campus that it was
7 placed on warning status?

8 A. No.

9 Q. What about show-cause status?

10 A. No.

11 Q. Has an FCC campus since 2015 had its
12 accreditation deferred?

13 A. No.

14 Q. What jobs in the HVAC field are considered
15 eligible to maintain a positive job placement in that
16 reporting?

17 A. Any job whose job description closely matches
18 what they learned in our program. The titles can be
19 wide ranging and various depending on the employers.
20 So it's difficult to say what type of job, which is by
21 we focus on what the job duties are and how closely
22 they match the training that we've provided.

23 Q. So FCC relies on the job description for
24 HVAC, is that correct?

25 MR. OPRISON: Object to the form.

1 A. We rely on the job description from the
2 employer, yes.

3 Q. And does the same principal apply to the
4 other three programs that we discussed?

5 A. Yes.

6 Q. What steps, if any, does FCC take to ensure
7 that the student is performing work that matches what
8 the student was taught in the FCC program?

9 MR. OPRISON: Object to the form.

10 A. It starts with communication with the
11 employer. We review titles. We review job
12 description. We review job duties. We review
13 anything that would indicate that what the student is
14 being asked to do by their employer is something that
15 we trained them to do or materially trained them to
16 do. Those conversations are conducted by our career
17 services department and validated and verified by our
18 compliance department.

19 Q. And are those reports documented by FCC?

20 A. Yes.

21 Q. Does FCC ascertain the income or salary of
22 its graduates in those programs?

23 A. We do not.

24 Q. Does FCC count unpaid internships as job
25 placements?

1 A. That does not qualify as a job placement.

2 Q. What about temp jobs or a job provided by a
3 temp agency?

4 A. If the job they're performing with the temp
5 agency is consistent with what they learned in the
6 program of study and we can verify and validate that,
7 that would be considered a valid placement.

8 Q. Does FCC follow-up to determine its graduates
9 are employed in the field for more than one week?

10 A. No, we do not.

11 Q. What are jobs that are not considered
12 suitable to report for job placement rate purposes?

13 A. Any job that doesn't closely match what the
14 student's program of study contained. So if they're
15 in a job that they're not doing the duties that they
16 learned in our school, that would be an invalid
17 placement.

18 Q. What is a survival job?

19 A. A survival job is a job that students work
20 during their time in school. It helps them with
21 income while they're going to school.

22 Q. Who at FCC helps students find survival jobs?

23 MR. OPRISON: Object to form.

24 A. That can come from a number of sources.

25 Primarily our career services department however, if

1 our director of education, if a student indicates
2 they're struggling financially the director of
3 education might share, hey, I heard so and so is
4 hiring. So job opportunities while they're in school
5 are provided by all of our support staff if the
6 student is seeking that information, if we know about
7 it.

8 Q. When enrolling are students told that FCC can
9 help them find a survival job?

10 MR. OPRISON: Object to form.

11 A. It's possible. But it depends on the
12 individual situation. If the student has indicated
13 they would like to find part-time jobs while they're
14 attending school, we would have them meet with your
15 career services department to have that department
16 assist them. If the student doesn't request that or
17 need that or want that, it probably would not be
18 brought up in the conversation.

19 Q. For purposes of job placement what happens
20 when FCC loses contact with a graduate?

21 A. We continue to try to reengage with the
22 student to determine where they are and what they're
23 doing, so that we can remain compliant with our state
24 and federal accrediting body guidelines. We're
25 required to report student outcome and part of that is

1 to know what the students are doing, where they're
2 working and if that is a job in which they were
3 trained to do at our school.

4 Q. How is a graduate with whom FCC has lost
5 contact reported?

6 A. How is a graduate reported that we've lost
7 contact with? We report the number of students who
8 have been placed, a valid job placement, as required
9 by our accrediting body. So we don't report on who we
10 are not able to contact. We continue to reach out to
11 students that we were unable to contact, so that we
12 can validate their situation, but we don't report who
13 we were not able to speak to.

14 MR. TURI: I've put another document in Zoom
15 chat.

16 (Exhibit No. 10, Career Services COE
17 Accreditation Training May 2016, was marked for
18 identification.)

19 BY MR. TURI:

20 Q. This is a 15-page document that reads career
21 services COE accreditation training May 2016. This
22 will be Deposition Exhibit 10, and it reads
23 confidential IECSFL-006-0000859. Would you like to
24 take a minute to read it over?

25 A. Yes, thank you okay.

1 Q. Do you recognize this document?

2 A. Yes.

3 Q. I know it's entitled with a date May 2000
4 company. Are you aware of it being given at that time
5 to FCC career services staff?

6 A. I don't know if it was provided, but it's a
7 training document, so ...

8 Q. So do you believe it was used for training of
9 career services employees?

10 A. Yes, I believe this document was used for
11 training.

12 Q. In what year did FCC begin using COE as an
13 accreditor?

14 A. I believe 2016 we were moving away from SCICS
15 towards COE and there was a time we were dual
16 accredited during that transition.

17 Q. I'm on page 11 of the PDF. It's titled
18 What's Different. Let me know when you're there.

19 A. Okay. I'm hear.

20 Q. So about 2 thirds of the way down I see
21 refuse employment Soco documentation. What is Soco
22 documentation?

23 A. Again, it's a term we don't use. I'm not
24 familiar with that term, so I don't know.

25 Q. Move on to attention 13. Page 13 is titled

1 Waiver Processes Statute.

2 A. Okay.

3 Q. And in the left column it lists type of
4 waivers. In the second column it lists who the
5 reviewer is, and the reviewer for all but one is
6 indicated as Soco and then it explains the supporting
7 documentation that's necessary for each waiver. Is
8 what I just stated accurate in your view?

9 A. We no longer use the term soak 0 however, the
10 waiver type we continue to support and provide
11 documentation and continue reviews. So all of the
12 process is still accurate. The term Soco is not
13 something we used. Today that would say compliance.

14 Q. I was just asking if what I read to you is
15 accurate, but you answered my next question, which is,
16 how has this be updated? So under examples of
17 supporting documentation are the types of supporting
18 documentation on this list the same kind that FCC
19 would look to now to prove a waiver?

20 A. Yes. This document is to ensure that we're
21 compliant with our accrediting body COE, so these
22 waivers ask types of supporting documentation would be
23 in cooperation and collaboration with our accreditor.

24 Q. How does FCC determine whether a graduate is
25 incarcerated?

1 A. There are a number of ways, if a family member
2 or a friend shares that information with us. If we
3 learn through some sort of publication that a person
4 has been incarcerated, so it varies.

5 Q. Does FCC follow up to determine if a graduate
6 has been released from prison?

7 A. Not to my knowledge.

8 Q. How does FCC determine whether a graduate is
9 caring for an ill family member?

10 A. Again, the same sort of process would be
11 followed. We would reach out to the student. If the
12 student shared with us that they were caring for an
13 ill family member. If a family member shared that with
14 us. Or a colleague or friend shared that with us,
15 however we learned about the information would trigger
16 the next step which is to validate, verify and have it
17 reviewed by our compliance department.

18 Q. I apologize if I asked this earlier, but who
19 is in charge of the compliance damages?

20 A. Angela Paul.

21 Q. Does Ms. Paul jurisdiction apply to all FCC
22 campuses?

23 A. Yes.

24 Q. I want to look at the bottom of waivers for
25 employment refusals. I know the text is small. But

1 under examples of support and documentation, it states
2 written communication with students telephone logs
3 showing call times, combined with notes, consistent
4 call communication attempts made over a lengthily
5 period of time for example attempts made weekly over a
6 period of 2 or 3 months.

7 A. Yes.

8 Q. What does it mean by a consistent call,
9 slash, communication attempt?

10 A. Our accreditor requires us to continue
11 reaching out to the graduate to ensure if their work
12 is still current or if they found employment in the
13 field of training. So we're required to document
14 every effort to reach out to the students to ensure
15 what their current status and situation is.

16 Q. What does this passage mean by attempts made?

17 A. Attempts would be to communicate, such as
18 phone calls e-mails or text messages.

19 Q. What happens if a student does not respond?

20 A. If we're not able to respond at all with the
21 student, that would be -- we would not be able to
22 count their waiver or their valid placement, and we
23 would continue reaching out until the cohort window
24 that we're required to report would expire.

25 Q. After an initial verification is made, does

1 FCC follow-up with students who said that they were
2 caring for ill family members?

3 A. No, we do not. Can I clarify that?

4 Q. Sure.

5 A. After an initial attempt is made to validate,
6 compliance also reviews to ensure. It's always a
7 two-step process. I wanted to make sure I didn't
8 represent that we only do this once. This is a multi
9 step process conducted by different departments to
10 ensure compliance.

11 Q. So are students or family members or
12 employers for example always contacted twice in order
13 to verify a waiver?

14 MR. OPRISON: Object to form.

15 A. Not always. Our compliance department may
16 sample various placements and if the sample is
17 accurate, they may not sample 100 percent of the
18 students. If the sample size indicates there's
19 further inspection required, they may include amp up
20 to 100 percent of the cohort. But they review
21 100 percent of the placements.

22 Q. What do you mean by review? What kind of
23 review is taken?

24 A. When the career services department the
25 graduate's information where they're working, what the

1 job description, is what the job title, is what the
2 job duties are, and counts that as a pending
3 placement, our compliance department will then also
4 review independently the same documentation to insure
5 that placement is valid and only when compliance
6 considers the placement does it become a valid
7 placement. It's pending until we have a 2nd-level
8 review.

9 Q. Is there a second effort made to reach out to
10 that student or is it only the documentation that's
11 reviewed?

12 MR. OPRISON: Object to the form.

13 A. It may be both. It could be an inhouse
14 review, or it may include reaching out to the student
15 to validate and verify what information they've
16 provided.

17 Q. How often does the compliance team
18 affirmatively reach back out to someone to confirm the
19 validity of a waiver?

20 A. It varies from day to day. Some days they're
21 reaching out on a number of students and other days
22 they're reviewing and approving. The the compliance
23 office determines when they reach out and validate to
24 ensure that we remain compliant with this standard of
25 the accreditation.

1 Q. Does the FCC compliance team record its
2 efforts to reach out and conduct secondary out-reach?

3 A. Yes.

4 Q. Is that the date since April 2015?

5 A. Yes. They see standard compliance process
6 that FCC is 100 percent compliant to.

7 Q. To the extent you know is the so-call Soco
8 reflected on the documents the same as what is now the
9 compliance team?

10 A. We have a compliance team too. Every region
11 has compliance officers local to the region and we
12 have compliance officers at our Irvine offices. So we
13 have infield compliance officers supporting all FCC
14 campuses.

15 Q. Do you know if documents have been kept of
16 the so-called Soco process?

17 MR. OPRISON: Object to the form.

18 A. I do not know if documents related to the Soco
19 process have been kept.

20 Q. Okay.

21 MR. TURI: Do you want a take another 5-minute
22 break.

23 (A short break was taken.)

24 BY MR. TURI:

25 Q. Mr. Adler, welcome back. I'm going to ask

1 you just a couple of more questions about career
2 services policy. Are career services personnel, in
3 their interaction with students, subject to the same
4 kind of observation review that you indicated that
5 admissions and financial aid advisors are?

6 A. Yes. There are monthly observations conducted
7 by the director of services to ensure compliance, in
8 accordance with industry policy and procedures and
9 performance standards.

10 Q. And are these reviews recorded in writing?

11 A. Yes. Performance observation forms are in
12 writing.

13 Q. And does the same go for observation of
14 admissions and financial aid advisors?

15 A. Yes.

16 Q. Who is the custodian of those documents?

17 A. The director of each department would be the
18 custodian of those documents.

19 Q. Does the compliance team keep records of its
20 own audits?

21 MR. OPRISON: Object to form.

22 A. Yes.

23 Q. And who is the custodian of those records?

24 A. The compliance officers are the custodians of
25 their records.

1 Q. How many compliance officers does FCC employ?

2 A. I don't know the exact number. There are
3 typically three per region, and we have four regions,
4 and there are additional compliance officers at our
5 corporate officers. I don't know the numbers.

6 Q. You said FCC has four regions?

7 A. I'm sorry, FCC has two regions.

8 Q. So is it a total of six then?

9 A. Six for the FCC schools plus additional
10 compliance support from our Irvine corporate center.

11 Q. In California, okay. I'm uploading another
12 document. Let me know when you see it.

13 A. We have it up.

14 MR. TURI: This will be Exhibit 11.

15 (Defendant's Exhibit No. 11, Run Rate Driving
16 to Bench Standards, was marked for identification.)

17 BY MR. TURI:

18 Q. The document reads the Run Rate Driving to
19 Bench Standards, IECSFL-006-0000998 is that what you
20 have?

21 A. Yes.

22 Q. Back to the first page can you explain what
23 the run rate is?

24 A. A measure of production of productivity of a
25 department as it relates to an expected outcome.

1 Q. Do you recognize this particular document?

2 A. Yes.

3 Q. Was this part of a training?

4 A. Yes.

5 Q. And to whom was this document shown?

6 A. This document would have been shown to our
7 career services advisors.

8 Q. So what is a run rate specifically as applied
9 to career services advisors?

10 A. A run rate would be the calculation of the
11 placements required to meet our creditor's standards
12 divided by a length of time.

13 Q. And where this document refers to bench
14 standards, does that mean the accreditors standards
15 that you just mentioned?

16 A. Yes.

17 Q. So what is the relationship of a run rate to
18 accreditation reports?

19 A. So the creditor has performance objectives,
20 what we call bench standards for placement. It's
21 70 percent of our graduates are expected to be
22 employed in a field that is similar to what they
23 trained in. So we know had number of graduates we
24 have in each program, and in order to maximize
25 efficiency of our career services department, we would

1 take the number of graduates that we have and divide
2 those up among the career services providers and based
3 on the length of time we have before the reporting
4 period expires create the ideal run rate. Run rate
5 meaning the production expected in order to achieve
6 the bench standards of the accreditor.

7 Q. I see. If you wouldn't mind turning to page
8 9. I see on the left a car going to the finish line
9 and it says run rate best practices to ensure bench
10 standards of excellence. The first box at the top
11 says use the tracker weekly. What is the tracker
12 referred to here?

13 A. The tracker in this case is on the previous
14 slide, on side 8, and it is a tracking of the
15 performance as it relates to the accreditor's
16 standards.

17 Q. Is there a separate tracker for each career
18 services employee?

19 A. Yes. Bear with me. So the tracker tracks the
20 program and each colleague in that department would
21 have a goal to perform to.

22 Q. Are these tracking documents maintained over
23 time?

24 A. These will typically not be maintained as they
25 are working documents and they expire once we achieve

1 different milestones so this would essentially be a
2 way for a colleague to track their progress and stay
3 organized.

4 Q. Do supervisors in veer services monitor the
5 run rates or the run rate progress of career services
6 employees?

7 A. Yes.

8 Q. Does that come up in performance reviews?

9 A. Yes.

10 Q. Are those reviews -- excuse me is that
11 monitoring or that review process documented?

12 A. The performance reviews are documented and
13 this would be one factor to consider among many for
14 all performance evaluations.

15 Q. Are documents kept that would indicate if
16 career service advisors are not meeting their run
17 rate?

18 A. No. Documents wouldn't be kept. We would
19 provide additional training, coaching to any career
20 services advisors that were falling below the
21 production projections.

22 Q. As to the second box of this document, what
23 does when in doubt, round up, not down mean?

24 A. If a career services advisor has a run rate of
25 2.6 placements per week, per month, per quarter,

1 whatever, we would ask the colleague to run that to 3
2 placements rather than rounding down. The rounding up
3 allows us to ensure we're compliant. Rounding down
4 may mean we may fall short of the compliance
5 requirements.

6 So that is a mathematic reminder to perform to
7 the level to ensure our success as measured by the
8 accrediting body.

9 And let me just add that everything the career
10 service providers that relate to the run rate and the
11 placement of graduates is monitored and validated and
12 verified by our external department of compliance. So
13 a run rate might -- a career services advisor work is
14 evaluated by the compliance department.

15 Q. Does the compliance department keep track of
16 career services advisors who are not meeting their run
17 rates?

18 A. Compliance would not track that data. That
19 would be the director of career services. That would
20 track the performance of employees and colleagues in
21 that department.

22 Q. Who at FCC is in charge of developing the
23 curriculum for the HVAC program?

24 A. There isn't one person responsible for
25 developing a curriculum of the HVAC program. The

1 curriculum is developed through a number of inputs, if
2 you will it, we'll use our vendor that provides
3 curriculum. We use our subject matter experts. We
4 use our curriculum development team. We rely heavily
5 on our occupational advisory committee, which is
6 employers in the field that we meet with trice per
7 year provide input on what they want to see in terms
8 of skills and capabilities of our students. So all of
9 the curriculum is developed in a partnership and
10 collaboration with a number of entities.

11 Q. Who sits on the occupational advisory
12 committee?

13 A. Every program has occupational provider
14 committee members. Those are employers in the local
15 communicate that provide -- employer graduates or are
16 in that employers in that injury even though they may
17 not have employed our graduates and those are
18 professionals from outside the campuses that live or
19 work within the immediate communities.

20 Q. How are those people select today serve on
21 the committee?

22 A. They're invited to be on the committee, and
23 they must have experience in the program that we train
24 in. So for example, an HVAC occupational advisory
25 committee member would have to be working at a place

1 that provides employment to students with our similar
2 training.

3 Q. How does FCC whose who to invite or sit on
4 the committee?

5 A. We invite members of the community who are
6 willing to provide information about how to make our
7 programs better for your students and insure that our
8 students receive the most current training available.
9 Those occupational advisory committee members are
10 deeply involved in providing feedback. They visit our
11 campuses. They tour our facilities. They review our
12 equipment. They review our curriculum, and they are a
13 critical component of our curriculum discovery.

14 Q. Are there documents indicating who sits on
15 the occupational advisory committee for the four
16 programs that we've been discussing today?

17 A. Yes. We are required -- this is an
18 accreditation standard and we are required to maintain
19 members topics and meeting minutes to our OC members.

20 Q. Who is the the custodian of all of those
21 documents you just discussed?

22 A. The custodian is the directors of career
23 services as well as our compliance department. We
24 have dual custodians in this area.

25 Q. Is there a different occupational advisory

1 committee for each campus?

2 A. Yes, each campus has their own occupational
3 advisory committee per the program.

4 Q. Is there a curriculum for a HVAC program
5 across campuses?

6 A. No, there's no difference.

7 Q. How often are FCC curricula reviewed in the
8 four programs?

9 A. Frequently and consistently. We meet with our
10 OAC committee members twice a year, and if they
11 provide input on anything that's not a material change
12 to our curriculum, we provide that to our curriculum
13 development team, and the curriculum development team
14 would review that feedback.

15 Q. Is there any central process for reviewing
16 feedback for to provide to each campus?

17 A. Can you clarify, what do you mean by central
18 process?

19 Q. You mentioned campus by campus committee,
20 right?

21 A. Yes.

22 Q. Does someone review all the various reports
23 from all of the various campuses?

24 A. Yes, our compliance department will review all
25 of those, as well as the curriculum development team.

1 They will review all feedback from the occupational
2 advisor committee.

3 Q. How large is the curriculum development team?

4 A. Currently, I don't know specifically, but I
5 want to say that's approximately 15 people. We have
6 our curriculum development team, and we also have our
7 subject matter experts, our program advisory
8 personnel, so we have quite a few folks that are
9 solely focused on the curriculum and its efficacy.

10 Q. How many people on that team are engaged with
11 curriculum development for the HVAC program?

12 A. We currently have one program advisory person,
13 who is solely focused on HVAC, and we have one
14 opening, so we would normally have two. And then we
15 have our other curriculum staff who are responsible
16 for our curriculum in all of our programs, and we also
17 have our instructors that provide input up through the
18 normal channels through the education department.

19 So the curriculum department receives input
20 from a number of areas as it relates to the current
21 curriculum and what we're teaching.

22 Q. Does FCC regularly review its curricula in
23 order to show that it's up to date?

24 A. Yes. As a matter of fact, due COVID, we had
25 to review every single program to ensure that our

1 students continued to meet learning objectives. As
2 you know, during COVID, a number of schools were not
3 permitted to have onsite instruction, and we had to
4 provide instruction remotely, and in conjunction with
5 partnership with the state we operate in, with your
6 accrediting body and the Department of Education, we
7 reviewed our curriculum to ensure that it still met
8 all of the required standards. So 100 percent of our
9 programs have recently gone through a review.

10 Q. Are those reviews documented?

11 A. Yes.

12 Q. Who maintains those documents?

13 A. The curriculum department and the director of
14 education, as well as our compliance department. Our
15 compliance department is required to gather all of the
16 relevant documents and submit them to the regulatory
17 agencies.

18 So compliance reviews everything. So that
19 would be the department to go to if you need
20 documents.

21 Q. Who leads the curriculum development
22 department?

23 A. Currently we have ++ Michelle Reed Dysagorski
24 (phonetic) leads that department.

25 Q. How does FCC monitor the quality of its

1 instructors?

2 A. We have a number of ways to monitor the
3 quality of our instructors. We provide two weeks of
4 training. We provide what we call mock teaching
5 sessions where they teach without students and we
6 monitor and coach to their performance. Once they're
7 teaching classes, we provide monthly evaluations,
8 observations conducted by the director of education to
9 provide performance feedback and quality of
10 instruction.

11 We also have student surveys, where
12 100 percent of the student body offers the survey. So
13 we use that data to determine quality instruction.
14 And finally we monitor and measure attendance and
15 grades for each instructor, as that is a measure of
16 the quality of education.

17 So quite a few variants are used to determine
18 quality instruction in our program.

19 Q. Do all FCC students fill out the surveys that
20 you just described?

21 A. Not all. It is a voluntary survey. We
22 currently average approximately 90 to 95 percent
23 participation in our surveys.

24 Q. Other than through the surveys, does FCC keep
25 records of student complaints on instructors?

1 A. Yes.

2 Q. Does FCC keep records of verbal complaints
3 about instructors?

4 A. Not typically. A verbal complaint could be as
5 it comes to our attention and we would address those
6 issues as they occur.

7 Q. What would be the grounds for terminating an
8 instructor at FCC?

9 A. That would be a comprehensive list. Any
10 violation, egregious violation of a policy or
11 standard, inappropriate behavior we student any
12 falsification of, there are a number of areas that
13 could result in the termination of an instructor.

14 Q. When an instructor is terminated, are they
15 asked to sign a nondisclosure agreement?

16 A. It depends on the situation.

17 Q. What might give rise to a situation where an
18 instructor is asked to sign a nondisclosure agreement?

19 MR. OPRISON: Object to the form, outside the
20 scope.

21 A. If an instructor voluntarily resigns that
22 would be one example where they're not, if they've
23 been with us for a short amount of time that may be
24 one where they're not. It's highly dependent on each
25 situation. As I mentioned earlier in the termination

1 process it requires a number of levels of review and
2 approvals and each one is unique.

3 Q. Are terminated employees who sign
4 nondisclosure agreements given copies of those
5 agreements after they sign?

6 MR. OPRISON: Object to form.

7 A. Every individual is provided a copy of that
8 document, yes.

9 Q. What purge of FCC spending goes towards
10 instructor pay and training?

11 MR. OPRISON: Object to form, outside the
12 scope.

13 A. There's really no way to calculate that. We
14 have a significant number of variables and factors
15 that involve instructor pavement we have instructors
16 for programs that haven't even started yes. So it
17 wouldn't be possible for me to calculate that.

18 Q. Do all FCC instructors maintain personal
19 contact with employers in their field?

20 MR. OPRISON: Object to form.

21 A. I don't know. I don't know that.

22 Q. Who would I have to ask to get answers to
23 that?

24 A. You would have to ask instructors if they
25 maintain relationships with others in the industry.

1 Q. Okay. Continuing on the line of classroom
2 topics, who's in charge of determining whether
3 equipment provided for FCC programs is up to date?

4 A. That would be the same group of folks that I
5 mentioned before. It would be the director of
6 education, the instructors, and those programs, our
7 occupational advisory committee, our regional
8 directors of education, our curriculum team. It's a
9 number of folks that review and ensure that your
10 programs are properly equipped and current.

11 Q. Is there a written process in place to ensure
12 that FCC programs maintain up to date and working
13 equipment?

14 A. Yes.

15 Q. Is that process the same across all campuses?

16 A. Yes.

17 Q. Are records kept of equipment that
18 malfunctions or stops working?

19 MR. OPRISON: Object to form.

20 A. No, other than invoices to repair and replace
21 the equipment.

22 Q. Are records kept of complaints by students or
23 instructors about missing or broken equipment?

24 MR. OPRISON: Object to form.

25 A. We have records with those complaints, yes.

1 Q. What do those records look like?

2 A. They come in the form of student surveys and
3 they also might come to us via what we'll call our
4 answer program, or they might be an e-mail or text
5 messages. So we keep all of those documents to ensure
6 that we address each and every one of those
7 situations.

8 Q. Answer program?

9 A. Answer program is a program we offer to our
10 students if they want to share concern via our answer
11 program, that's a vehicle for them to do so without
12 having to address it with somebody at the campus.
13 It's to make sure -- I'm sorry.

14 Q. I was just going to ask what the answer
15 program is. How does that program work?

16 A. It's managed out of our corporate offices.
17 When a student responds via the answer program,
18 they're speaking to someone outside the campus, and
19 that person would take their information, take the
20 issues that they're concerned about, and then forward
21 those to the appropriate party that can most address
22 the issue.

23 Q. How do students find out about the existence
24 of this program?

25 A. We post fliers and posters throughout each

1 campus sharing the way to contact the answer program.
2 So it's in every classroom and hallway and common
3 area.

4 Q. Who exactly is the person being contacted?

5 A. A person in our Irvine office is who's being
6 contacted.

7 Q. Isn't that it the same person for all FCC
8 campuses?

9 A. Yes.

10 Q. What percentage of FCC spending goes towards
11 equipment in classrooms?

12 MR. OPRISON: Object to form, outside the
13 scope.

14 You can answer, if you can.

15 A. I don't have a specific answer. We spend
16 whatever it takes to ensure that laboratories and
17 classrooms are properly equipped. That's a compliance
18 standard. It's also an accreditors standard. And
19 it's audited when your accreditor visits to campuses.
20 It's also audited by the states. For example this
21 week we had an unannounced visit from the state of
22 Florida into our Tampa campus and they review
23 materials equipment supplies in all of our classrooms.

24 Q. Who maintains records of audits by federal
25 and state agencies?

1 A. Our compliance department.

2 Q. Are students in the HVAC program given tool
3 kits?

4 A. Yes.

5 Q. At what point in the program are they given
6 tool kits?

7 A. They're given the tool kits at the end of
8 their program.

9 Q. Are students who are not current on their
10 retail instalment contracts denied a tool kit?

11 MR. OPRISON: Object to the form.

12 A. No, those students also receive their tool
13 kits.

14 Q. How does FCC know every student is receiving
15 a tool kit regardless of whether they're paying off
16 their loans?

17 MR. OPRISON: Object to the form.

18 A. Those are not -- there's no -- we do not check
19 with their payments in order to provide their tool
20 kits from education. Education orders and provides
21 their tool kits irrespective of their payment
22 progress.

23 Q. Are there documents showing that all students
24 are receiving tool kits regardless of any independent
25 financial situation?

1 A. The number of tool kits we've ordered for
2 students.

3 Q. And who possesses those documents?

4 A. That would be our bookkeeping and accounting
5 department.

6 Q. Who is in charge of the bookkeeping and
7 accounting department?

8 A. The chief financial officer is responsible for
9 that department.

10 Q. This may be my last document. I'm going to
11 attach something in chat, just a moment. Let me know
12 when you see it.

13 A. I see it.

14 Q. Do you see the 2019COE report?

15 A. Yes, I see it.

16 MR. TURI: It's stamped confidential
17 IECsFL-005-000186 and that's going to be 12.

18 (Exhibit No. 12, 2019 Annual Report, was
19 marked for identification.)

20 BY MR. TURI:

21 Q. Do you need a moment to look that over?

22 A. Yes. Okay.

23 Q. Do you recognize this document?

24 A. Yes.

25 Q. I ask this an accurate copy of the 2019

1 report that FCC submitted to its accreditor COE?

2 A. Yes.

3 Q. Does this apply to all the FCC campuses, not
4 just the one in Miami, the address seems to be on the
5 first page?

6 A. Yes.

7 Q. Is it Miami addressed simply because that's
8 considered the central campus?

9 A. Yes. That's the primary campus.

10 Q. Okay. Is it correct that in this document
11 FCC certifies that it possesses the number of
12 documents showing that it's in compliance?

13 MR. OPRISON: Object to the form.

14 A. Yes.

15 Q. Are the documents that FCC --

16 (There was an interruption in video.)

17 Q. -- regards to this report are the documents
18 FCC certifies it keeps all kept in a central location?

19 A. Yes.

20 Q. And who keeps records of the documents that
21 FCC attests that it possesses in the COE report?

22 A. Our compliance department would keep those
23 records and then our records management would keep
24 those records.

25 MR. OPRISON: Object to this line of

1 questioning. It's outside the scope. But he can
2 answer.

3 Q. Who is in charge of the records management
4 team or department?

5 A. Our IT department is responsible for records
6 management.

7 Q. Who is in charge of the IT department?

8 A. Mike Nelson.

9 Q. Who at Florida Career College is responsible
10 for completing reports given to accreditors?

11 A. Our compliance department.

12 Q. So is it the head of the compliance
13 department who physically fills this out?

14 A. Yes. This is a comprehensive report with, as
15 you can tell, lots of information. Her department is
16 responsible for compiling all the information and
17 submitting it to the accrediting body.

18 Q. Was the same person in charge of the
19 compliance department when this document was
20 completed?

21 A. Yes.

22 Q. Okay. On page 4 under general condition of
23 accreditation, the last number, No. 23, do you see
24 where I'm reading?

25 A. Yes.

1 Q. If says the institution has named an
2 accreditation liaison officer a staffer located at the
3 Miami campus. Who is the accreditation liaison
4 officer?

5 A. At the time this report was prepared that was
6 Michael Cole.

7 Q. What was Michael Cole's job title?

8 A. Michael Cole was the regional director of
9 operations.

10 Q. When did Michael Cole Leave that position?

11 A. Approximately 4 to 6 months ago. I can't be
12 certain, but this year.

13 Q. What does an accreditation liaison officer
14 do?

15 A. They are is, as it states, the liaison between
16 the accrediting body and the Florida Career College,
17 so they are the person that would interact -- they
18 would be the person where COE reaches out to for
19 whatever communication they have or want.

20 Q. And who is the current person in Michael
21 Cole's role?

22 A. I will the current regional vice president of
23 operations today. However the liaison officer is
24 Angela Paul. She has been named as a liaison officer
25 for COE and FCC.

1 Q. Who keeps records of communication from COE
2 to Florida Career College?

3 A. Our compliance department.

4 Q. Okay. I'm going to a couple of questions on
5 finance. I'm no longer on the document. You stated
6 earlier you're familiar with what the 9010 rule is?

7 A. Yes.

8 Q. What is 10 money, to your understanding?

9 A. 10 money is a federal requirement that no more
10 than 90 percent of a school's revenue can come from
11 title 4 funds.

12 Q. Who at FCC tracks the sources of revenue that
13 comprises the 10 money?

14 MR. OPRISON: Object to form, outside the
15 scope.

16 A. Our chief financial officer.

17 Q. Are records kept of FCC's sources of revenue?

18 A. Yes.

19 Q. Who possesses those records?

20 A. Our chief financial officer.

21 Q. Who maintains records of FCC's profit and/or
22 losses?

23 MR. OPRISON: Object to the form, outside the
24 scope.

25 You can answer.

1 A. Our chief financial officer.

2 Q. What was FCC's net profit in the most recent
3 fiscal year?

4 MR. OPRISON: Object to the form, outside the
5 scope.

6 A. I don't know that number.

7 Q. Who would I ask if I wanted to know that
8 data?

9 A. Our chief financial officer.

10 Q. Has FCC ever filed for bankruptcy?

11 A. No.

12 Q. Are documents maintained to track
13 instructional spending per student?

14 MR. OPRISON: Object to the form.

15 A. No.

16 MR. OPRISON: Outside the scope.

17 Q. Our documents maintained to track
18 instructional spending in the aggregate?

19 A. No.

20 Q. Who possesses the financial information
21 regarding instructor salaries?

22 A. Can you repeat the question the.

23 Q. Who possesses financial information showing
24 instructor salaries?

25 A. That information is kept in our human

1 resources department.

2 Q. Is there a central human resources department
3 that would possess that information or does it differ
4 by campus?

5 A. We have a central payroll support human
6 resources support function.

7 Q. Who is in charge of that department?

8 A. The senior director of human resources is ++
9 Sherry McCay (phonetic).

10 Q. All right. To whom does that person report,
11 Ms. McCay?

12 A. Ms. McCay reports to our chief legal counsel,
13 Aaron Mortenson.

14 Q. Okay. What is the median salary of an FCC
15 instructor?

16 A. I don't know what the median salary is. It
17 varies by location. It varies by program. It varies
18 by session that they teach, tenure. I don't have that
19 specific information.

20 Q. Who possesses records indicating what FCC
21 spends on classroom equipment?

22 MR. OPRISON: Object to the form, outside the
23 scope.

24 A. That would be our bookkeeping and accounting
25 department.

1 Q. Who's in charge of that department?

2 A. The chief financial officer.

3 Q. I think you did say that, I'm sorry.

4 MR. TURI: Mr. Adler, I'm very close to being
5 done, if you want to take one last break. I
6 probably have no more than 20 or 30 minutes of
7 questions.

8 MR. OPRISON: We'll take 5.

9 (A short break was taken.)

10 BY MR. TURI:

11 Q. Mr. Adler, to whom does a campus director of
12 career services report?

13 A. To the executive director of the campus.

14 Q. To whom does a campus director of admissions
15 report?

16 A. They also report to the executive director of
17 the campus.

18 Q. To whom does a campus director of student
19 finance report?

20 A. To the executive director of the campus.

21 Q. Does each campus have a director of
22 education?

23 A. Yes.

24 Q. To whom does that person report?

25 A. To the executive director of the campus.

1 Q. Do executive directors of campuses have a
2 role in discussing or reviewing the performance of
3 admissions representatives?

4 A. Yes.

5 Q. What about career services staff?

6 A. Yes.

7 Q. Financial aid personnel?

8 A. Yes.

9 Q. Instructors?

10 A. Yes.

11 Q. Does FCC gather information about the racial
12 and ethnic background of its students?

13 A. No.

14 Q. When a student fills out an enrollment
15 agreement or application form, does that form ask a
16 student to indicate their race?

17 A. As part of the enrollment agreement in
18 compliance with federal government, they are invited
19 to complete a demographic profile. That's optional
20 and self-reported.

21 Q. Does FCC maintain that data?

22 A. That data is transmitted to the federal
23 government.

24 Q. Are you familiar with what FCC campus's
25 right-to-know disclosures?

1 A. Yes.

2 Q. Who produces those documents?

3 A. Our compliance department.

4 Q. Are you aware that those documents contain
5 race data?

6 A. I think I would need to see the document
7 you're referring to, to be accurate in my response.

8 Q. Okay. I can put one up.

9 MR. TURI: I'm going to add Exhibit 13.

10 (Exhibit No. 13, Students Right To Know, was
11 marked for identification.)

12 MR. TURI: I think this has a Bates number,
13 but I don't see it.

14 MR. OPRISON: We can use this and swap it out
15 afterwards so, if you like, so that we do have a
16 production set.

17 MR. TURI: This is not something that's
18 confidential, right?

19 MR. OPRISON: I don't know if that is or not,
20 the student right to know, I don't think so.

21 MR. TURI: Yeah I think halfway down it has a
22 public link.

23 BY MR. TURI:

24 Q. Mr. Adler, let me know when you've had a
25 chance to review this document.

1 A. Yes, I see it.

2 Q. Okay. Do you agree this document contains
3 race data?

4 A. Yes.

5 Q. How does FCC gather this information about
6 its students' races?

7 A. As part of the enrollment process, the
8 students are offered the opportunity to provide this
9 data as part of the ++ Ipenca (phonetic) survey
10 information. So the student fills out the forms
11 themselves and select them themselves. They can skip
12 the form if they want.

13 Q. I believe you just answered this, but does
14 FCC continue to track the racial composition of its
15 students after the enrollment form is filled out?

16 A. No, we do not.

17 Q. How does FCC know the graduation rate by a
18 particular racial demographic?

19 A. We do not track that data. We track
20 graduation rates.

21 Q. How is this document able to show graduation
22 rate by race?

23 A. I can't answer that. I don't know.

24 Q. Okay. Do I recall you said the compliance
25 team produce these documents, or am I misstating that?

1 A. The compliance team is required to maintain
2 all compliance-related documents.

3 Q. Is this considered a compliance-related
4 document?

5 A. Yes. This would be a compliance-related
6 documents, as it complies with the federal
7 requirements.

8 Q. What efforts are made to ensure that the data
9 in these documents is accurate?

10 A. Students have the option to skip completing
11 this data, and the students self-report this data. We
12 do not encourage or dictate how they fill the form
13 out.

14 Q. Okay. As far as I planned, the last set of
15 questions I'm going to ask you about concern
16 recordkeeping. Do FCC employees use e-mail?

17 A. Yes.

18 Q. Do FCC employees use any kind of chat system,
19 computer?

20 A. Yes.

21 Q. What system is that?

22 A. We currently use Teams.

23 Q. Are records kept of communication between FCC
24 employees on Teams?

25 A. I'm not aware if they do or do not.

1 Q. Are FCC employees issued laptops?

2 A. Some employees are issued laptops.

3 Q. Which employees?

4 A. Our executive directors of the campus, our
5 directors of education, our compliance officers, our
6 regional staff, and I believe that's, I think, it.

7 Q. Are laptops issued by FCC employees connected
8 to a cloud server?

9 A. Each laptop has VPN access to control the data
10 security and it may or may not have access to a cloud
11 system. Each individual is different. Mine does not.

12 Q. Is laptop data backed up automatically?

13 A. I do not know the answer to that.

14 Q. How will are employee e-mails stored or
15 saved?

16 A. It's my understanding that we did not discard
17 employee e-mails.

18 Q. Are e-mails never discarded regardless of
19 whether an employee has left FCC?

20 A. It's my understanding that we retain those
21 records even after they separated.

22 Q. At some point after separation are e-mails
23 moved onto backup storage server?

24 A. Yes. I think we have both short- and
25 long-term storage.

1 Q. At what point do the mails go into long-term
2 storage?

3 A. I don't know the specific criteria to move it
4 from short- to long-term storage.

5 Q. Who is in charge of the maintenance of FCC
6 e-mails?

7 A. Our director of IT.

8 Q. Okay. Are employees given mobile phones?

9 A. Some employees receive mobile phones.

10 Q. Are they expected to use their work phones
11 for all work purposes?

12 A. Could you repeat that? I think you broke up
13 just a little bit.

14 Q. Are they expected to use their work phones
15 for all work purposes?

16 A. Yes.

17 Q. In addition to computer records does FCC
18 maintain paper documents?

19 A. Yes.

20 Q. Where are paper documents stored?

21 A. It depends on the documents and location.
22 Most of the paper documents that we have are older and
23 some of those are stored at the campuses, student
24 files for example, and then we always have external
25 third party storage facilities.

1 Q. Do FCC employees communicate via text?

2 A. Yes.

3 Q. Over personal phone, work phones or both?

4 A. Both.

5 Q. Are those communications stored, saved or
6 recorded in any way?

7 A. I don't know the answer to that.

8 Q. Are FCC employees permitted to delete
9 e-mails?

10 A. Yes.

11 Q. Are deleted e-mails backed up?

12 A. Yes.

13 Q. How long are deleted e-mails stored or backed
14 up?

15 A. To my knowledge, we do not discard e-mails.

16 Q. Including deleting?

17 A. Yes. If they delete from their computer,
18 there's a backup.

19 Q. In connection with this case, has FCC put a
20 litigation hold on e-mails?

21 A. Yes.

22 Q. How were FCC employees informed of that?

23 MR. OPRISON: I object to the extent it might
24 call for you to reveal attorney-client
25 communications. If you can answer the question

1 without revealing attorney-client communications,
2 you can do so.

3 A. I can't. I don't know.

4 Q. Are employees in compliance with a litigation
5 hold?

6 A. Yes.

7 MR. TURI: I believe I'm wrapped up here. I
8 might want if it's okay a two-or three-minute break
9 just to confirm.

10 (Off the record.)

11 MR. TURI: Mr. Adler, I have no further
12 questions at this time.

13 MR. OPRISON: I have a few follow-up questions
14 I'd like to ask you, Mr. Adler.

15 CROSS-EXAMINATION

16 BY MR. OPRISON:

17 Q. Do you recall your testimony relating to the
18 call center?

19 A. Yes.

20 Q. What is your understanding of the
21 responsibilities the call center has?

22 A. The call center's responsibilities are to make
23 contact with the student and the preparation of
24 transferring that student to one of the our admissions
25 representatives.

1 Q. Is any part of the call center employee's
2 responsibility to do with enrollment or admission of
3 any student?

4 A. No, absolutely not they are not capable or
5 83. The guidelines provided to our call center
6 representatives are to make a greeting, greet the students
7 and then transfer them to a qualified trained
8 admissions representative.

9 Q. I take you to Exhibit 8IECFFL0696922. I'm
10 going to take you to page 19 of this document. Do you
11 remember your testimony regarding this slide and this
12 document?

13 A. Yes.

14 Q. This is the guidelines photography don'ts.
15 Do you see that?

16 A. Yes.

17 Q. Do you remember your testimony regarding why
18 certain images are not used by the school to advertise
19 its class or its programs?

20 A. Yes. The photos depicted on this slide do not
21 represent our student experience. When vendors use
22 these photos, they are not representative of what
23 happens on our campus.

24 Q. How so?

25 A. Students that are standing around the

1 chalkboard, students out on a grassy common area,
2 libraries and study halls are not what the experience
3 is at our school. We are not a traditional four-year
4 school. Our student experiences do not match those
5 images, and we encourage your vendors to follow the
6 guidelines that we provide.

7 Q. Does FCC have an understanding of what images
8 do in fact resonate with prospective students?

9 A. We've started using images now that actually
10 reflect our students, actual students, students at
11 campuses in uniform in our labs performing tasks that
12 are in the actual curriculum.

13 And what we found that is that our students
14 identified more closely with actual images that are
15 representative of the local campuses.

16 Q. Page 18 of this document, the guidelines for
17 photography dos, are these some of the images that FCC
18 feels are more indicative of the student body and the
19 experiences of the student body at that school?

20 A. Yes. These are actual photos taken at our
21 campuses and are much more representative of our
22 student experience.

23 Q. Do you have an understanding of when the
24 policy changed from using stock images to using actual
25 students that are in the images that are taken?

1 A. We've moved away from stock images to actual
2 photos in the last 2 to 3 years.

3 Q. Do you have an understanding, also, why the
4 images or the types of images that are reflected on
5 this slide are in fact favored over the ones that we
6 just talked that were on the don'ts page?

7 A. Well, they represent and reflect the diversity
8 of our students. They are a more accurate depiction
9 of what our students experience at our campuses.

10 MR. OPRISON: Okay, that's all I have.

11 MR. TURI: I do not have any redirect.

12 Mr. Adler, I know this was a long day. Thank you
13 for your time. Have a good weekend and a good rest
14 of your summer.

15 MR. OPRISON: Read and sign.

16 (The videoconference deposition was concluded
17 at 5:46 p.m.)

18 E N D O F D R A F T

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