

## EXHIBIT A

In the Matter of:	§	
Temple of Praise Ministries,	§	Before the
A Texas Non-profit Corporation,	§	
d/b/a National Christian University,	§	
A Texas non-profit corporation,	§	Texas Higher Education
d/b/a National Christian University College	§	
of Law	§	
And Gilbert D. Perez, Individually;	§	Coordinating Board
And Gertrude Perez, a/k/a Trudie Perez,	§	
Individually	§	

## **PROPOSAL FOR DECISION**

### I. Background and Discussion:

In 1967, "National Christian University" was given a Texas corporate charter. The name was used by a non-profit institution originally situated in Arlington, Texas. In 1975, in response to a lawsuit filed against National Christian University by the Consumer Protection Division of the Office of the Attorney General, for violation of certain articles of the Texas Proprietary School Act, it closed its doors and forfeited its charter. In 1990, its principal, Mr. Charles Stovall, reinstated its corporate privileges, and, in 1992, in consideration of a payment of \$9,000, Gertrude Perez was named Chair; Robert Reeh, member; and Hilario Morales, member. T.O.P. (Temple of Praise) Ministries, Inc. was incorporated on Sept 10, 1993, listing as its trustees Gilbert Perez, President; Trudie M. Perez, Vice-President; and Robert A. Reeh, Secretary.

In 1992, Gilbert and Trudie Perez began to use the name National Christian University at an institution that they were running in San Antonio, Texas, which Mr. Perez had previously called "Del Sur Christian College." The Texas Higher Education Coordinating Board had already been having difficulty regulating the Perez's operation of this school. Then, according to promotional materials from NCU, "In the Spring of 1991, NCU became part of Temple of Praise Ministries, Inc., in San Antonio, Texas, which is led by Dr. Gilbert D. Perez."

Despite any claim by Mr. Perez of exemption from application of the relevant statutes, Section 61.304 states, "A person may not grant or award a degree on behalf of a private postsecondary institution unless the institution has been issued a certificate of authority...by the board." Neither Del Sur Christian College nor National Christian University has ever held a certificate of authority from the Texas Higher Education Coordinating Board. Nonetheless, both schools have a history of offering "degrees," and courses that they claimed were applicable to degrees.

On June 8, 1993, in a cause styled State of Texas v. National Christian University, the Judge of the 285<sup>th</sup> Judicial District of Bexar County ordered entry of an injunction against National Christian University, (hereinafter, "NCU") and its officers, agents, servants, employees, attorneys, and any other persons in active concert or participation with NCU, prohibiting them from:

(g)ranting, awarding, or purporting to offer any Associate's, Bachelor's, Master's, or Doctorate degree or their equivalents,...(r)epresenting to the public either orally or through printed advertising, brochures, bulletins, notices, or catalogues that Defendant (NCU) offers credits applicable to an Associate's, Bachelor's, Master's, or Doctorate degrees or their equivalents, or that such degree (sic) are awarded by Defendant institution, unless Defendant, has been issued a certificate of authority...by the Board in accordance with TEX. EDUC. CODE ANN. SECTION 61.301*et seq.*

National Christian University appealed the judgment, arguing that Subchapter G of the Education Code is unconstitutional because it promotes excessive governmental entanglement with religion. The Fourth Court of Appeals in San Antonio affirmed the trial court's injunction, and the writ of injunction issued. NCU continued to grant degrees, and to offer courses said to be applicable to degrees, both during the pendency of the appeal and after. In 1995, NCU opened a law school, offering courses that it claimed would be applicable to a Doctor of Jurisprudence degree. In 1997, for the first time, NCU applied to the Board for a Certificate of Authority to offer courses that would be applicable to degrees, and to grant Bachelors of Arts degrees, Bachelors of Science degrees, and Doctors of Jurisprudence degrees.

On October 8 and 9, 1997, Board staff and a certificate of authority review committee comprised of Dr. Robert C. Cloud, Professor of Educational Administration, Baylor University; Dr. Loren Crow, Assistant Professor of Religion, Wiley College; Mr. Roy Mersky, Professor of Law and Director of Legal Research, The University of Texas School of Law; and Ms. Shelby Moore, Associate Professor of Law, South Texas College of Law, conducted an on-site review of NCU.

On December 4, 1997, the Board's Certification Advisory Council reviewed the report of the evaluation team and the institution's written responses to the evaluation. After thorough discussion with the institution's representatives at that meeting, the Council voted 5-0, with one abstention, to deny the institution's request for a Certificate of Authority. (One member abstained to avoid the appearance of a conflict of interest, as he was an official at a university in San Antonio.) The Committee found that the institution failed to meet 22 of the Board's 24 standards for the awarding of a Certificate of Authority. The institution met standards 17. Refund Policy and 22. Housing. The standards failed were:

1. Qualification of Institutional Officers; 2. Governing Board; 3. Distinction of Roles; 4. Instructional Assessment; 5. Faculty Qualifications; 6. Faculty Size; 7. Curriculum; 8. General Education; 9. Credit for Prior Learning; 10. Library; 11. Facilities; 12. Financial Stability; 13. Financial Records; 14. Academic Freedom & Faculty Security; 15. Academic Records; 16. Catalog; 18. Credentials; 19. Academic Advising & Counseling; 20. Student Handbook; 21. Health Services; 23. Legal Compliance; and 24. Open Representation of Activities.

On January 22, 1998, the Board accepted the recommendation of the Certification Advisory Council and Board staff and denied the request for a Certificate of Authority.

Pertinent findings reported by the review committee, and relevant responses made to the report by Mr. Mallory Miller, the school's president at the time, conveyed by letter dated November 25, 1997, as well as relevant subsequent investigation by Board staff reveal the following:

1) The 1997 committee report stated that NCU operated under the auspices of Temple of Praise Ministries, Inc., a church in San Antonio, on the grounds of which NCU was housed. Members of the NCU Board of Trustees were appointed by the Board of Directors of Temple of Praise Ministries, Inc., which also adopted the NCU's by-laws for governance of the school.

The committee found that there was an insufficient distinction between the TOP Board and the NCU Board. Gilbert Perez was President and Trudie M. Perez, Vice-President of TOP Ministries, Inc.. Gilbert Perez, in his position as Chancellor, served as an *ex officio* member of the Board of Trustees, with voice and vote. As seen above, Trudie Perez was Chairman of the Board of Trustees.

In a written response to the committee's findings, Mr. Mallory Miller, President of the institution at the time, wrote, in relevant part, "Regarding appointment of NCU trustees by the board of directors of Temple of Praise Ministries, Inc., the parent organization, that situation will continue as long as NCU and TOP remain associated with one another.... TOP sponsors NCU, has underwritten its operations, and supports its on-going operations."

3) The 1997 committee report stated that Mr. Perez claimed to have a degree from St. Mary's University, but St. Mary's denied having conferred the degree upon him. Staff at the Board had learned from St. Mary's that Mr. Perez fell about twelve hours short of achieving credits in his major field of study and had not earned a degree. Mr. Miller replied, "In 1959, Dr. Perez took his four year comprehensive examination at St. Mary's University in the field of Government.... Obtaining a paper certificate was not a...matter of concern for him."

4) The 1997 committee report stated that, since 1984, Mr. Perez had been operating an institution of higher education in Texas without state authorization. Mr. Miller made no response to this statement.

5) The 1997 committee report stated that, in the event of a budget shortfall, NCU was dependent upon TOP Ministries, Inc. for funds to ensure the continuation of classes for enrolled students. Mr. Miller replied, "NCU has the support of the church sponsoring it, a situation not uncommon for church schools."

6) The 1997 committee report stated that financial records and reports of NCU were handled and reported for tax purposes with those of TOP Ministries, Inc., and that financial records of the institution did not appear to be managed and audited in accordance with National Association of College and University Business Officers (NACUBO) guidelines. Mr. Miller responded, "the CPA who sent us our accounting software and the supplier of the software advised us that our financial records were being kept in accordance with NACUBO standards."

7) The 1997 committee report stated that the institution had an enrollment of 29 undergraduates, and 22 law students. Mr. Miller did not refute this statement.

8) The 1997 committee report stated that promotional materials for the law school were found by the committee to misrepresent the possibility of the school's law students being allowed to sit for the Texas State Bar exam. Mr. Miller did not respond to this stated concern.

On October 14, 2000, Assistant Attorney General Joe Pittner, in response to his request for same, received by mail and transmitted to Board staff, a brochure from NCU "School of Law." It continued to make the very claims that the committee had been concerned about, that the Law School was "preparing itself to apply for ABA approval. It went further, stating that NCU Law School, "...does not have, but has applied for, a certificate of authority from the...Board to grant the Doctor of Jurisprudence degree." In fact, at the time that this publication was sent to Mr. Pittner, the school did not have a pending application for a Certificate of Authority; it had not submitted an application since 1997, when the Board had denied its only application.

9) The 1997 committee report stated that the school's catalogue, under the heading, "Accreditation," that NCU claimed to hold "Associate Status with the Transnational Association of Christian Colleges and Schools (TRACS)" and maintained that it was "progressing toward full accreditation status with that organization." The report went on to say, "TRACS is not an accrediting agency recognized by the Texas Higher Education Coordinating Board." None of the promotional materials that the committee inspected stated that the school was non-certified and unaccredited, and the committee report specifically recommended that the school correct that omission immediately.

Mr. Miller replied, "...It is with great effort that the administration makes it known to all its students, that until National Christian University receives full accreditation no 'degrees' will be conferred, but only certificates of completion, or diplomas will be offered." He further stated, "It appears that the only violation of this standard (Open Representation of Activities) is that the 1998-2000 catalogue does not clearly state that the school is unaccredited.... By the time the catalogue is published, it will contain such a statement."

Yet, a NCU brochure, addressed to "Mary Joe Pittner," and postmarked October 14, 2000, stated under the subject, "Accreditation," "...National Christian University is the learning center #42 of American Bible College and Seminary, which is accredited by Transnational Association of Bible Colleges and Schools (TRACS).... This accrediting agency is recognized by the U.S. Department of Education."

NCU had negotiated an agreement with American Bible College and Seminary of Oklahoma City, Oklahoma, (hereinafter "ABCS"), on or about October 15, 1998. This agreement was renewed on or about July 1, 1999, and again on or about August 17, 2000. Under the agreements, students were allowed to accumulate up to 49% of their credits toward graduation from NCU, with the remainder to be taken in "one-week mini-sessions on the ABCS campus," or by home study or distance learning. Degrees would be granted by ABCS. Pursuant to the first and second agreements, NCU would operate as an ABCS "learning center," and Mr. Perez was named simply as administrator of the learning center, contracting in his own name. The contract that was negotiated in the

year 2000 listed Mr. Perez both as learning center administrator and as president of NCU.

The financial arrangement between the two entities was that NCU would remit, or ABCS would retain from NCU's students' financial aid proceeds, 40% of the tuition and half of the enrollment fees that NCU students paid. A large portion of the financial aid that was arranged by ABCS's financial aid office for NCU's students was in the form of Pell Grants; in a report of a site-visit conducted on October 12, 2002, Larry N. Baker noted that in the fall, 2001, semester, 24 of NCU's 42 students were on Pell Grants. NCU students as such would not be eligible for federal financial aid programs; represented as ABCS students, they appeared to be eligible, and in fact, received aid. In one semester alone, Pell Grants in the amount of \$41,034 were disbursed through ABCS to NCU.

Among the responsibilities that Mr. Perez personally assumed pursuant to those contracts were to:

- a) supervise operations, faculty, and facilities;
- b) hire, evaluate, and pay teachers, (although the agreement states further that, "The administrator and employees of the Learning Center are independent contractors and they are responsible for their own taxes.").
- c) submit students' final grades to ABCS, which would maintain their records;
- d) distribute federal financial aid packets to students, for processing through ABCS.

American Bible College & Seminary (ABCS), addressing its violations of Texas law, sent to the Board a list of NCU students that its records showed as having enrolled for classes at NCU, and received credit with ABCS, allegedly applicable toward a degree to be granted by ABCS. The lists of such students, over the three year contract period, revealed that 183 different students had taken courses at NCU with an understanding that those courses would be applicable to a degree from ABCS.

10) The committee report stated concerns that the school was misrepresenting the value of a certificate from one of its "programs," by claiming that it prepared students for a state license. Specifically, the report pointed out that the "agency" which the catalogue named in its promotional materials as having "approved" NCU, "for training and granting certification...to become Licensed Chemical Dependency Counselors," was not a state licensing agency. Mr. Miller replied, "References to the accreditation of Chemical Dependency Counseling by TAADAC will be dropped from the catalogue."

Yet, on April 18, 2002, a page in the T.O.P. Ministries website, read, "Where can I receive training to become an Alcohol and Drug Abuse Counselor? At National Christian University!! We are approved as a provider for certification and re-certification of Alcohol and Drug Abuse Counselors in the State of TEXAS (sic) by the Texas Certification Board of Alcohol and Drug Abuse Counselors Standards Committee (TCBADAC). Provider # 064791, expires April, 2000." It goes on in such manner. TCBADAC is not a state agency, and cannot license Chemical Dependency Counselors. NCU's "provider number" had expired.

After NCU received the administrative penalty assessment letter from Commissioner of Higher Education, Dr. Don Brown, Mr. Perez contacted the Board and spoke at some length with Mr. David Linkletter, who told him, and followed up by letter dated April 19, 2002, "You asked to be able to settle this matter and have the Commissioner waive the administrative penalties....you must refund the tuition, fees and other monies received from the graduates, students and potential students...these students were enrolled under false pretences since you had no authority to make offers of degrees or credits toward degrees and, in fact, you are enjoined from doing so." To date, the Board has not received a Settlement Agreement from Mr. Perez nor been notified that any refunds have been issued.

## II. Procedural History

On March 19, 2002, National Christian University was notified, by Commissioner's assessment letter addressed to Mr. Gilbert Perez as Chancellor of NCU, that the Board had received credible information that NCU had offered degrees, or courses that it claimed to be applicable to degrees, to at least 183 students without legal authority to do so and in violation of the injunction against the institution. The Commissioner's letter also assessed penalties for violations of using the protected terms "college," "university," "school of law," and "law school," without authority to do so. The letter demanded payment of the amount of \$930,000 in administrative penalties. NCU was given 45 days within which to pay the penalty or request a hearing on the issues raised by the letter. Mr. Perez timely requested a hearing.

Subsequent to the initial assessment letter, Board staff received an inquiry from the Texas Board of Bar Examiners. They reported that two people had applied to sit for the Bar exam who each claimed to have received a Doctor of Jurisprudence from NCU. On March 27, 2003, the Commissioner's assessment was amended to include the two additional violations of awarding degrees without authority, which addition caused the assessed penalty to be increased to \$940,000. At that time, the Commissioner also added as respondents the two associated entities, Temple of Praise, Inc., and National Christian University College of Law, and Mr. and Mrs. Perez, individually, as officers, directors, and/or trustees of each entity. The Respondents were given another forty-five (45) days from the date of receipt of this letter to pay the penalty or to appeal the decision.

On April 14, 2003, Mr. Shelby Sharpe, attorney at law, wrote on the Respondents' behalf that NCU ceased operations on April 30, 2002 and would not consider further operations, "until the current law applicable to religious education is changed." He denied that the school had been in violation of the injunction since it became effective. He denied that the school had made any "misrepresentations" to the Pell Grant Program. He stated that his clients could not pay the penalties and did not wish to appeal the assessment.

Therefore this Proposal for Decision is in the nature of a proposal for entry of a default Order adopting the Commissioner's assessment of penalties, but adjusting those penalties to \$937,000.

### III. Jurisdiction and Notice

Because the Respondents acknowledged receipt of the Commissioner's assessment letter, but explicitly declined to request an appeal of the assessment, there are no legal or factual issues raised regarding the jurisdiction of the Board to consider this matter, or the sufficiency of the notice, or the number and nature of the violations.

### IV. Conclusion

In light of the history of this school's interactions with the Board, discussed above, the Commissioner is recommending to the Board that it assess administrative penalties in the aggregate amount of \$937,000, consisting of:

- 1) 183 violations of offering a degree or courses which it claimed would be applicable toward a degree without state authority, at \$5,000 each.
- 2) Two violations of the prohibition against awarding degrees without authority, at \$5,000 each.
- 3) Four violations of the prohibition against using a protected term without authority, at \$3,000 each.

The Commissioner has assessed the highest penalty allowed by the statutes and the rules governing this institution because of the intentional nature of the misrepresentations that Respondents made to the students at NCU; the cost to each of the students, and to the Pell Grant Program, occasioned by Respondents' intentional misrepresentations; Respondents' refusal to date to reimburse the students and the Pell Grant Program for the proceeds gained through their misrepresentations; Respondents' history of prior violations; and a reasonable belief that it is necessary to set the penalties high in order to deter Respondents from future violations.

### V. Proposed Findings of Fact and Conclusions of Law

#### A. Findings of Fact:

- 1) On March 27, 2003, the Commissioner sent an assessment letter, notifying the Respondents herein that he had assessed administrative penalties for numerous violations of the Texas Education Code, in the aggregate amount of \$940,000. The Respondents were given forty-five (45) days from the date of receipt of this letter to pay the penalty or to appeal the decision.
- 2) The Commissioner's assessment letter notified the Respondents that administrative penalties were being assessed for 183 violations of the statutory prohibition against offering degrees, or courses that it claimed to be applicable to degrees, without legal authority, five violations of the statutory prohibition against using the protected terms "college," "university," "school of law," and "law school," and two violations of the statutory prohibition against awarding degrees without authority. This assessment over-calculated (by \$3,000) the penalties for use of protected terms.
- 3) On April 14, 2003, Mr. Shelby Sharpe, attorney at law, wrote on the Respondents' behalf that his clients did not wish to appeal the assessment.

- 4) Because the Respondents, through their attorney, declined to avail themselves of their opportunity for an appeal hearing, each Respondent has admitted for purposes of this matter to their liability for, and to the number and type of violations that were alleged in the assessment letter.
- 5) At the time that the violations of state law occurred, Temple of Praise Ministries, Inc. was doing business in San Antonio, Texas, as National Christian University, and National Christian University College of Law.
- 6) Temple of Praise Ministries, d/b/a National Christian University, d/b/a National Christian University College of Law was denied a certificate of authority by the Board in 1997.
- 7) Temple of Praise Ministries, d/b/a National Christian University, d/b/a National Christian University College of Law has never been granted a certificate of authority by the Texas Higher Education Coordinating Board.
- 8) Temple of Praise Ministries, d/b/a National Christian University, d/b/a National Christian University College of Law is not accredited by a recognized accrediting agency, as that term is defined by Texas Education Code, Section 61.003.
- 9) At the time that the violations of state law occurred, Temple of Praise Ministries, d/b/a National Christian University, d/b/a National Christian University College of Law was a private postsecondary institution in Texas as defined in Texas Education Code §61.302(2).
- 10) Temple of Praise Ministries, d/b/a National Christian University, d/b/a National Christian University College of Law, has used the protected terms “college,” “university,” “school of law,” and “law school” in the name of, and to describe a nonexempt private postsecondary educational institution.
- 11) Temple of Praise Ministries, d/b/a National Christian University, d/b/a National Christian University College of Law, offered to award degrees including “Associate of Arts,” “Bachelor of Arts,” “Master of Arts,” “Doctor of Ministry,” and “Doctor of Jurisprudence.”
- 12) Temple of Praise Ministries, d/b/a National Christian University, d/b/a National Christian University College of Law, offered course credits that it claimed would be applicable to degrees to at least 183 students.
- 13) Temple of Praise Ministries, d/b/a National Christian University, d/b/a National Christian University College of Law, awarded Doctor of Jurisprudence degrees to at least two people.
- 14) National Christian University, and its officers, agents, servants, employees, attorneys, and any other persons in active concert or participation with National Christian University, were enjoined from violating the provisions of this law on or about May 18, 1993, and are, therefore, aware of the requirements of the law.



15) On or about June 9, 1999, the Commissioner sent notice to Floyd M. Shealy, President of American Bible College and Seminary (now American Christian College and Seminary) in Oklahoma, that the contractual relationship between NCU, Gilbert Perez, and ABCS was not in compliance with Texas law.

16) Despite the notice referenced in Finding of Fact number 15, herein, Temple of Praise Ministries, d/b/a National Christian University, d/b/a National Christian University College of Law continued to offered course credits that it claimed would be applicable to degree through ABCS, until, at the earliest, April 30, 2002, and continued to participate with ABCS in representing NCU students as ABCS students for purposes of qualifying them to receive federal Pell Grants, a large portion of which was paid to either NCU or ABCS.

17) Gilbert D. Perez and Gertrude M. Perez, a/k/a Trudie Perez, were among the officers, directors and persons actively in concert with NCU at the time of the injunction detailed in Finding of Fact number 14.

18) Gilbert Perez and Gertrude M. Perez, a/k/a Trudie Perez were officers or directors of TOP Ministries, Inc. at the time that the institution committed the violations of state law found herein.

19) Gilbert Perez, in his position as Chancellor of NCU, and for part of the period during which the institution committed the violations of state law, as President of NCU, served as an *ex officio* member of the Board of Trustees, with voice and vote. Gertrude M. Perez, a/k/a Trudie Perez was Chairman of the Board of Trustees of NCU during part of all of this period. The conduct of Gilbert Perez and Gertrude M. Perez during the period during which the institution committed the violations of state law was not exercised in good faith, with ordinary care, and in a manner reasonably believed to be in the best interest of the corporation.

20) NCU operated under the auspices of Temple of Praise Ministries, Inc., on the grounds of which NCU was housed.

21) Members of the NCU Board of Trustees were appointed by the Board of Directors of Temple of Praise Ministries, Inc..

22) The Board of Directors of Temple of Praise Ministries, Inc. also adopted NCU's by-laws for governance of the school.

23) The misrepresentations that Respondents made to the students at NCU are found to have been intentional.

24) The Respondents' intentional misrepresentations are found to have been calculated to mislead the public, and to have misled the institution's students and the federal Pell Grant Program, causing significant unreimbursed and unjustified costs to the students and to federal Pell Grant Program.

25) Respondents have refused to date to reimburse their students or the Pell Grant Program for the proceeds gained through their misrepresentations.

26) During the long relationship between the Board and Del Sur College and NCU, the institution resisted the Board's attempts to regulate the individuals' and the institutions' behavior. Through their attorney, the board received notice that NCU had ceased operations in April of 2002. However, in light of his representations in the same document that his clients had never violated the 1993 injunction, the Board specifically declines to find that the Respondents are now in compliance with the law.

B. Conclusions of Law

1) Based on Findings of Fact 1-10, the named entities are not exempt from the operation of Texas Education Code, Sections 61.303 or 61.313.

2) Based on Findings of Fact 1-10, the Board has jurisdiction over this matter, under Texas Education Code Section 61.304.

3) Based on Findings of Fact 3 and 4, each Respondent has admitted for purposes of this matter to their liability for, and to the number and type of violations that were alleged in the assessment letter and disposition may be made by default (Texas Government Code, §2001.056).

4) Texas Education Code, Section 61.313, prohibits a person or institution from the use of specific academic terminology, unless the institution has been issued a certificate of authority by the Board. Findings of Fact 3 through 9, 18 and 19 lead to the legal conclusion that the Respondents have violated these provisions of law.

5) Texas Education Code, Section 61.304, prohibits a person acting on behalf of a private postsecondary educational institution that does not hold a certificate of authority from granting or awarding degrees, and from representing that credits earned are applicable for credit toward a degree to be granted by another person or institution. Findings of Fact 2 through 9, 11 through 13, and 15 through 19 lead to the legal conclusion that the Respondents have violated these provisions of law.

6) Based on Findings of Fact 3, 4, 7, 10 through 13, and 16 through 19, the Commissioner of Education is authorized to assess penalties under Texas Education Code Section 61.317.

7) Texas Education Code Section 61.317 authorizes administrative penalties that may range from \$1,000 to \$3,000 for using a protected term in the name of the institution, or to describe the institution. They may range from \$1,000 to \$5,000 for awarding or offering to award degrees without authority. Each student who was offered courses toward a degree, and each degree awarded constitutes a separate offense (19 T.A.C. §7.15).

8) Findings of Fact 1, 3, 4, 5, 14, and 17 through 19, lead to the legal conclusion that T.O.P. Ministries, Inc., and National Christian University are alter-egos of one another.

9) Findings of Fact 4, 10 through 19, and 21 through 25 indicate that Gertrude, a/k/a Trudie Perez and Gilbert Perez, acting as officers and or directors of Temple of Praise Ministries, and National Christian University, d/b/a National Christian University College of Law, were not acting in good faith, or with ordinary care, and were not acting

in a manner that they could reasonably believe to be in the best interest of the corporations, and therefore, under Texas Revised Civil Statutes, Article 1396-2.22, are individually liable for the administrative penalties assessed by the Commissioner for these violations of the Texas Education Code.

10) Because the Respondents, through their attorney, declined to avail themselves of their opportunity for an appeal hearing, each Respondent has admitted for purposes of this matter to their liability for, and to the number and type of violations that were alleged in the assessment letter.

SIGNED this \_\_\_\_ day of \_\_\_\_\_, 2003.

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Don W. Brown  
Commissioner of Higher Education  
Texas Higher Education Coordinating Board