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9 **BEFORE THE**
DEPARTMENT OF CONSUMER AFFAIRS
10 **FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION**
STATE OF CALIFORNIA

11
12 In the Matter of the Statement of Issues
Against:

Case No. 1001325

13
14 **WESTERN CAMBRIDGE UNIVERSITY**

STATEMENT OF ISSUES

15
16 Respondent.

17
18 Complainant alleges:

19 **PARTIES**

20 1. Joanne Wenzel (Complainant) brings this Statement of Issues solely in her official
21 capacity as the Chief of the Bureau for Private Postsecondary Education (Bureau), Department of
22 Consumer Affairs.

23 2. On or about May 5, 2011, the Bureau received an Application for an Approval to
24 Operate a Non-Accredited Institution (Application Number 23453) from Western Cambridge
25 University (Respondent). On or about April 29, 2011, Julie Ludt certified under penalty of
26 perjury to the truthfulness of all statements, answers, and representations in the application. The
27 Bureau denied the application on November 13, 2015.

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JURISDICTION

3. This Statement of Issues is brought before the Director of the Department of Consumer Affairs (Director) for the Bureau under the authority of the following laws.¹ All section references are to the Education Code (Code) unless otherwise indicated.

4. Code section 94886 states:

Except as exempted in Article 4 (commencing with section 94874) or in compliance with the transition provisions in Article 2 (commencing with Section 94802), a person shall not open, conduct, or do business as a private postsecondary educational institution in this state without obtaining an approval to operate under this chapter.

5. Code section 94887 states:

An approval to operate shall be granted only after an applicant has presented sufficient evidence to the bureau, and the bureau has independently verified the information provided by the applicant through site visits or other methods deemed appropriate by the bureau, that the applicant has the capacity to satisfy the minimum operating standards. The bureau shall deny an application for an approval to operate if the application does not satisfy those standards.

STATUTORY AND REGULATORY PROVISIONS

6. Title 5, California Code of Regulations (CCR), section 71100 states:

(a) An applicant seeking approval to operate pursuant to Section 94886 of the Code, other than Approval to Operate by Accreditation pursuant to Section 94890(a)(1) of the Code, shall complete the "Application for Approval to Operate for an Institution Not Accredited," Form Application 94886 (rev. 2/10). An applicant seeking approval to operate by accreditation pursuant to Section 94890(a)(1) of the Code shall comply with section 71390.

(b) An applicant shall submit the completed form, the information or documentation required by this Article, the appropriate application fee as provided in Section 94930.5(a)(1) of the Code, and any appropriate annual fee as required by Article 1 of Chapter 5 of this Division, to the Bureau.

(c) An application that fails to contain all of the information required by this article shall render it incomplete.

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¹ On October 11, 2009, the Bureau for Private Postsecondary Education Act of 2009 (SB 48 and hereinafter, "the Act") was signed into law. The Act, which became operative on January 1, 2010, established the Bureau for Private Postsecondary Education (hereinafter "Bureau"). The California Private Postsecondary Education Act of 2009 was recently amended, effective January 1, 2015. See Senate Bill No. 1247. This Statement of Issues is based on amended version of the Act.

1 7. Code section 94897 states in part:

2 An institution shall not do any of the following:

3 ...

4 (i) Use a name in any manner improperly implying any of the following:

5 (1) The institution is affiliated with any government agency, public or
6 private corporation, agency, or association if it is not, in fact, thus affiliated.

7 (2) The institution is a public institution:

8 ...

9 (p) Offer an associate, baccalaureate, master's, or doctoral degree without
10 disclosing to prospective students prior to enrollment whether the institution or
the degree program is unaccredited and any known limitation of the degree,
including, but not limited to, all of the following:

11 (1) Whether a graduate of the degree program will be eligible to sit for
the applicable licensure exam in California and other states.

12 (2) A statement that reads: "A degree program that is unaccredited or a
13 degree from an unaccredited institution is not recognized for some employment
positions, including, but not limited to, positions with the State of California."

14 (3) That a student enrolled in an unaccredited institution is not eligible for
15 federal financial aid programs.

16 8. Code section 94900 states:

17 (a) An institution shall maintain records of the name, address, e-mail address,
18 and telephone number of each student who is enrolled in an educational
program in that institution.

19 (b) An institution shall maintain, for each student granted a degree or certificate
20 by that institution, permanent records of all of the following:

21 (1) The degree or certificate granted and the date on which that degree or
certificate was granted.

22 (2) The courses and units on which the certificate or degree was based.

23 (3) The grades earned by the student in each of those courses.

24 9. Code section 94900.5 states:

25 An institution shall maintain, for a period of not less than five years, at its
26 principal place of business in this state, complete and accurate records of all of
the following information:

27 (a) The educational programs offered by the institution and the curriculum for
28 each.

1 (b) The names and addresses of the members of the institution's faculty and
records of the educational qualifications of each member of the faculty.

2 (c) Any other records required to be maintained by this chapter, including, but
3 not limited to, records maintained pursuant to Article 16 (commencing with
Section 94928).

4 10. Code section 94909 states in part:

5 (a) Except as provided in subdivision (d), prior to enrollment, an institution
6 shall provide a prospective student, either in writing or electronically, with a
school catalog containing, at a minimum, all of the following:

7 (1) The name, address, telephone number, and, if applicable, Internet
8 Web site address of the institution.

9 ...

10 (3) The following statements:

11 (A) "Any questions a student may have regarding this catalog that
12 have not been satisfactorily answered by the institution may be directed to
the Bureau for Private Postsecondary Education at (address), Sacramento,
13 CA (ZIP Code), (Internet Web site address), (telephone and fax
numbers)."

14 ...

15 (C) "A student or any member of the public may file a complaint
16 about this institution with the Bureau for Private Postsecondary Education
by calling (toll-free telephone number) or by completing a complaint
17 form, which can be obtained on the bureau's Internet Web site (Internet
Web site address)."

18 (4) The address or addresses where class sessions will be held.

19 (5) A description of the programs offered and a description of the
20 instruction provided in each of the courses offered by the institution, the
requirements for completion of each program, including required courses, any
21 final tests or examinations, any required internships or externships, and the total
number of credit hours, clock hours, or other increments required for
completion.

22 (6) If the educational program is designed to lead to positions in a
23 profession, occupation, trade, or career field requiring licensure in this state, a
notice to that effect and a list of the requirements for eligibility for licensure.

24 ...

25 (8) A detailed description of institutional policies in the following areas:

26 ...

27 (B) Cancellation, withdrawal, and refund policies, including an
28 explanation that the student has the right to cancel the enrollment
agreement and obtain a refund of charges paid through attendance at the

1 first class session, or the seventh day after enrollment, whichever is later.
2 The text shall also include a description of the procedures that a student is
3 required to follow to cancel the enrollment agreement or withdraw from
4 the institution and obtain a refund consistent with the requirements of
5 Article 13 (commencing with Section 94919).

6 (C) Probation and dismissal policies.

7 ...
8 (9) The schedule of total charges for a period of attendance and an
9 estimated schedule of total charges for the entire educational program.

10 (10) A statement reporting whether the institution participates in federal
11 and state financial aid programs, and if so, all consumer information that is
12 required to be disclosed to the student pursuant to the applicable federal and
13 state financial aid programs.

14 (11) A statement specifying that, if a student obtains a loan to pay for an
15 educational program, the student will have the responsibility to repay the full
16 amount of the loan plus interest, less the amount of any refund, and that, if the
17 student has received federal student financial aid funds, the student is entitled to
18 a refund of the moneys not paid from federal student financial aid program
19 funds.

20 (12) A statement specifying whether the institution has a pending petition
21 in bankruptcy, is operating as a debtor in possession, has filed a petition within
22 the preceding five years, or has had a petition in bankruptcy filed against it
23 within the preceding five years that resulted in reorganization under Chapter 11
24 of the United States Bankruptcy Code (11 U.S.C. Sec. 1101 et seq.).

25 (13) If the institution provides placement services, a description of the
26 nature and extent of the placement services.

27 ...
28 (15) The following statement:

“NOTICE CONCERNING TRANSFERABILITY OF CREDITS AND
CREDENTIALS EARNED AT OUR INSTITUTION

The transferability of credits you earn at (name of institution) is at the
complete discretion of an institution to which you may seek to transfer.
Acceptance of the (degree, diploma, or certificate) you earn in (name of
educational program) is also at the complete discretion of the institution
to which you may seek to transfer. If the (credits or degree, diploma, or
certificate) that you earn at this institution are not accepted at the
institution to which you seek to transfer, you may be required to repeat
some or all of your coursework at that institution. For this reason you
should make certain that your attendance at this institution will meet your
educational goals. This may include contacting an institution to which
you may seek to transfer after attending (name of institution) to determine
if your (credits or degree, diploma, or certificate) will transfer.”

(16) A statement specifying whether the institution, or any of its degree
programs, are accredited by an accrediting agency recognized by the United

1 States Department of Education. If the institution is unaccredited and offers an
2 associate, baccalaureate, master's, or doctoral degree, or is accredited and offers
3 an unaccredited program for an associate, baccalaureate, master's, or doctoral
4 degree, the statement shall disclose the known limitations of the degree
5 program, including, but not limited to, all of the following:

6 (A) Whether a graduate of the degree program will be eligible to sit
7 for the applicable licensure exam in California and other states.

8 (B) A degree program that is unaccredited or a degree from an
9 unaccredited institution is not recognized for some employment positions,
10 including, but not limited to, positions with the State of California.

11 (C) That a student enrolled in an unaccredited institution is not
12 eligible for federal financial aid programs.

13 (b) If the institution has a general student brochure, the institution shall
14 provide that brochure to the prospective student prior to enrollment. In addition,
15 if the institution has a program-specific student brochure for the program in
16 which the prospective student seeks to enroll, the institution shall provide the
17 program-specific student brochure to the prospective student prior to
18 enrollment.

19 (c) An institution shall provide the school catalog to any person upon
20 request. In addition, if the institution has student brochures, the institution shall
21 disclose the requested brochures to any interested person upon request.

22 (d) An accredited institution is not required to provide a School
23 Performance Fact Sheet to a prospective student who is not a California
24 resident, not residing in California at the time of his or her enrollment, and
25 enrolling in an accredited distance learning degree program offered by the
26 institution, if the institution complies with all federal laws, the applicable laws
27 of the state where the student is located, and other appropriate laws, including,
28 but not limited to, consumer protection and student disclosure requirements.

11: Code section 94910 states:

19 Except as provided in subdivision (d) of Section 94909 and Section 94910.5,
20 prior to enrollment, an institution shall provide a prospective student with a
21 School Performance Fact Sheet containing, at a minimum, the following
22 information, as it relates to the educational program:

23 (a) Completion rates, as calculated pursuant to Article 16 (commencing with
24 Section 94928).

25 (b) Placement rates for each educational program, as calculated pursuant to
26 Article 16 (commencing with Section 94928), if the educational program is
27 designed to lead to, or the institution makes any express or implied claim
28 related to preparing students for, a recognized career, occupation, vocation, job,
or job title.

(c) License examination passage rates for programs leading to employment for
which passage of a state licensing examination is required, as calculated
pursuant to Article 16 (commencing with Section 94928).

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1 (d) Salary or wage information, as calculated pursuant to Article 16
(commencing with Section 94928).

2 (e) If a program is too new to provide data for any of the categories listed in this
3 subdivision, the institution shall state on its fact sheet: "This program is new.
4 Therefore, the number of students who graduate, the number of students who
5 are placed, or the starting salary you can earn after finishing the educational
6 program are unknown at this time. Information regarding general salary and
7 placement statistics may be available from government sources or from the
8 institution, but is not equivalent to actual performance data."

9 (f) All of the following:

10 (1) A description of the manner in which the figures described in
11 subdivisions (a) to (d), inclusive, are calculated or a statement informing the
12 reader of where he or she may obtain a description of the manner in which the
13 figures described in subdivisions (a) to (d), inclusive, are calculated.

14 (2) A statement informing the reader of where he or she may obtain from
15 the institution a list of the employment positions determined to be within the
16 field for which a student received education and training for the calculation of
17 job placement rates as required by subdivision (b).

18 (3) A statement informing the reader of where he or she may obtain from
19 the institution a list of the objective sources of information used to substantiate
20 the salary disclosure as required by subdivision (d).

21 (g) The following statements:

22 (1) "This fact sheet is filed with the Bureau for Private Postsecondary
23 Education. Regardless of any information you may have relating to completion
24 rates, placement rates, starting salaries, or license exam passage rates, this fact
25 sheet contains the information as calculated pursuant to state law."

26 (2) "Any questions a student may have regarding this fact sheet that have
27 not been satisfactorily answered by the institution may be directed to the
28 Bureau for Private Postsecondary Education at (address), Sacramento, CA (ZIP
Code), (Internet Web site address), (telephone and fax numbers)."

(h) If the institution participates in federal financial aid programs, the most
recent three-year cohort default rate reported by the United States Department
of Education for the institution and the percentage of enrolled students
receiving federal student loans.

(i) Data and information disclosed pursuant to subdivisions (a) to (d), inclusive,
is not required to include students who satisfy the qualifications specified in
subdivision (d) of Section 94909, but an institution shall disclose whether the
data, information, or both provided in its fact sheet excludes students pursuant
to this subdivision. An institution shall not actively use data specific to the fact
sheet in its recruitment materials or other recruitment efforts of students who
are not California residents and do not reside in California at the time of their
enrollment.

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1 12. Code section 94911 states:

2 An enrollment agreement shall include, at a minimum, all of the following:

3 (a) The name of the institution and the name of the educational program,
4 including the total number of credit hours, clock hours, or other increment
5 required to complete the educational program.

6 (b) A schedule of total charges, including a list of any charges that are
7 nonrefundable and the student's obligations to the Student Tuition Recovery
8 Fund, clearly identified as nonrefundable charges.

9 (c) In underlined capital letters on the same page of the enrollment agreement in
10 which the student's signature is required, the total charges for the current period
11 of attendance, the estimated total charges for the entire educational program,
12 and the total charges the student is obligated to pay upon enrollment.

13 ...

14 (e) (1) A disclosure with a clear and conspicuous caption, 'STUDENT'S
15 RIGHT TO CANCEL,' under which it is explained that the student has the right
16 to cancel the enrollment agreement and obtain a refund of charges paid through
17 attendance at the first class session, or the seventh day after enrollment,
18 whichever is later.

19 (2) The disclosure shall contain the institution's refund policy and a
20 statement that, if the student has received federal student financial aid funds, the
21 student is entitled to a refund of moneys not paid from federal student financial
22 aid program funds.

23 (3) The text shall also include a description of the procedures that a
24 student is required to follow to cancel the enrollment agreement or withdraw
25 from the institution and obtain a refund.

26 ...

27 (h) The transferability disclosure that is required to be included in the school
28 catalog, as specified in paragraph (15) of subdivision (a) of Section 94909.

(i) (1) The following statement: 'Prior to signing this enrollment agreement,
you must be given a catalog or brochure and a School Performance Fact Sheet,
which you are encouraged to review prior to signing this agreement. These
documents contain important policies and performance data for this institution.
This institution is required to have you sign and date the information included
in the School Performance Fact Sheet relating to completion rates, placement
rates, license examination passage rates, and salaries or wages, and the most
recent three-year cohort default rate, if applicable, prior to signing this
agreement.'

(2) Immediately following the statement required by paragraph (1), a line
for the student to initial, including the following statement: 'I certify that I have
received the catalog, School Performance Fact Sheet, and information regarding
completion rates, placement rates, license examination passage rates, and salary
or wage information, and the most recent three-year cohort default rate, if
applicable, included in the School Performance Fact sheet, and have signed,

1 initialed, and dated the information provided in the School Performance Fact
2 Sheet.' ...

3 13. Code section 94920 states:

4 An institution that does not participate in the federal student financial aid
5 programs shall do all of the following:

6 ...

7 (b) Institutions shall refund 100 percent of the amount paid for institutional
8 charges, less a reasonable deposit or application fee not to exceed two hundred
9 fifty dollars (\$250), if notice of cancellation is made through attendance at the
10 first class session, or the seventh class day after enrollment, whichever is later.

11 ...

12 14. Title 5, CCR, section 71110 states in part:

13 An institution shall provide the following information on the Form Application
14 94886:

15 ...

16 (e) The name, address, email address, fax number and phone number of an
17 individual who will function as the institution's contact person for the purposes
18 of the Form Application 94886. ...

19 15. Title 5, CCR, section 71120 states:

20 The institution shall specify the form of business organization of the institution
21 (e.g., sole proprietorship, general or limited partnership, for-profit corporation,
22 nonprofit corporation, or Limited Liability Corporation). If the institution is
23 incorporated, the institution shall also identify the state within which the
24 institution is incorporated and the date of incorporation, and provide copies of
25 the articles of incorporation and bylaws.

26 16. Title 5, CCR, section 71130 states:

27 (a)(1) The institution shall identify the name, address, email address, and
28 telephone number of each person, as defined in section 94855 of the Code, who
owns or controls 25% or more of the stock or an interest in the institution and,
to the extent applicable, each general partner, officer, corporate director,
member of the board of directors and any other person who exercises
substantial control over the institution's management or policies. For the
purpose of this paragraph, a person exercises "substantial control over the
institution's management or policies" if the person has the authority to cause the
institution to expend money or incur debt in the amount of five thousand dollars
(\$5,000) or more in any year.

(2) For each address required, the institution shall provide a physical home
address, and may request that the address, email address, and telephone
number, of each person described in paragraph (1) be maintained as personal
information.

1 (b) The institution shall describe the nature and percentage of the ownership
2 interest and any other financial involvement in the institution of any person
3 identified in subdivision (a) of this section.

4 (c) The institution shall provide a statement from any person identified in
5 subdivision (a) of this section who -

6 (1) Was found in any judicial or administrative proceeding to have
7 violated the Act or the law of any other state related to untrue or misleading
8 advertising, the solicitation of prospective students for enrollment in an
9 educational service, or the operation of a postsecondary school;

10 (2) Was denied any type of license on grounds set forth in Section 480 of
11 the Business and Professions Code;

12 (3) Was adjudicated as responsible for the closure of an institution in
13 which there were unpaid liabilities to the state or federal government or any
14 uncompensated pecuniary losses suffered by students;

15 (4) Has stipulated to a judgment or administrative order or entered a
16 consent decree involving any of the matters described in this section.

17 (5) Was convicted of any misdemeanor or felony as provided in Section
18 480(a)(1) of the Business and Professions Code;

19 (d) The institution shall furnish an explanation of any legal action pending
20 against the institution or ownership or any of the institution's owners, officers,
21 corporate directors, administrators, or instructors by any federal, state, or local
22 law enforcement agency involving alleged acts of fraud, dishonesty, financial
23 mismanagement, unpaid liabilities to any governmental agency or claims for
24 pecuniary loss suffered by any student.

25 17. Title 5, CCR, section 71140 states:

26 (a) The institution shall include in its Form Application 94886 an organization
27 chart that shows the governance and administrative structure of the institution
28 and the relationship between faculty and administrative positions.

(b) The institution shall provide a description of the job duties and
responsibilities of each administrative and faculty position.

(c) The institution shall identify the chief executive officer, chief operating
officer, and chief academic officer and describe their education, experience, and
qualifications to perform their duties and responsibilities.

18. Title 5, CCR, section 71150 states, "If the institution has a governing board, the Form
Application 94886 shall include the name, work address, email address, and telephone number of
each member of the governing board."

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1 19. Title 5, CCR, section 71160 states, "The Form Application 94886 shall contain the
2 name, work address, email address, fax number and telephone number of the person with whom
3 the Bureau will correspond and conduct legal transactions on behalf of the institution."

4 20. Title 5, CCR, section 71210 states:

5 (a) The institution shall identify and describe the educational program it offers,
6 or proposes to offer. If the educational program is a degree program, the
7 institution shall identify the full title which it will place on each degree
8 awarded.

9 (b) In addition to the general title, such as "Bachelor of Arts" or "Master of
10 Science," each degree title shall include the name of a specific major field of
11 learning involved.

12 (c) In addition, the institution shall list the following for each educational
13 program offered:

14 (1) The admissions requirements, including minimum levels of prior
15 education, preparation, or training;

16 (2) If applicable, information regarding the ability-to-benefit examination
17 as required by section 94904 of the Code;

18 (3) The types and amount of general education required;

19 (4) The title of the educational programs and other components of
20 instruction offered, including a description of the level of the courses (e.g.,
21 below college level, undergraduate level, graduate level);

22 (5) The method of instruction;

23 (6) The graduation requirements; and

24 (7) Whether the educational program is designed to fit or prepare
25 students for employment in any occupation. If so, the Form Application 94886
26 shall identify each occupation and job title to which the institution represents
27 the educational program will lead.

28 21. Title 5, CCR, section 71220 states in part:

For each educational program that the institution offers or proposes to offer, the
Form Application 94886 shall contain a statement that the educational program
meets the requirements of section 71710, as well as the following:

(a) A description of the educational program.

(b) A description of the equipment to be used during the educational program.

(c) A description of the number and qualifications of the faculty needed to teach
the educational program.

1 (d) A projection, and the bases for the projection, of the number of students that
2 the institution plans to enroll in the educational program during each of the
3 three years following the date the Form Application 94886 was submitted.

4 (e) A description of the learning, skills, and other competencies to be acquired
5 by students who complete the educational program.

6 ...

7 22. Title 5, CCR, section 71240 states

8 (a) The Form Application 94886 shall contain a statement that the institution
9 has and can maintain the financial resources required pursuant to section 71745.

10 (b) The institution shall submit current, reviewed financial statements at the
11 time it applies for approval to operate. Each set of financial statements shall
12 comply with Section 74115 of this chapter.

13 23. Title 5, CCR, section 71260 states in part:

14 ...

15 (b) For facilities that are leased or rented, the Form Application 94886 shall
16 contain the name and address of the lessor or landlord, together with a copy of
17 any use, lease, or rental agreements for the facilities.

18 ...

19 (f) The Form Application 94886 shall contain a list of all permits, certifications,
20 or other evidence of inspections or authorizations to operate required by the
21 jurisdictions within which the institution operates that the institution has
22 obtained, and/or an explanation as to why those permits, certifications, or
23 inspections have not yet been obtained.

24 24. Title 5, CCR, section 71310 states in part:

25 (a) The Form Application 94886 shall contain a description of how records
26 required by Article 9 of the Act or this chapter are or will be organized and
27 maintained, the types of documents contained in student files, how the records
28 are stored, and whether academic and financial records are maintained in
separate files. The description shall include a statement of the institution's
procedures for security and safekeeping of records.

...

25 25. Title 5, CCR, section 71320 states, "The Form Application 94886 shall contain a
26 description of the procedures used by the institution to assure that it is maintained and operated in
27 compliance with the Act and this Division."

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1 26. Title 5, CCR, section 71700 states, "The Bureau may request that an institution
2 document compliance with the standards set forth in the Act and this Division to obtain and
3 maintain an approval to operate."

4 27. Title 5, CCR, section 71710 states in part:

5 In order to meet its mission and objectives, the educational program defined in
6 section 94837 of the Code shall be comprised of a curriculum that includes:

7 ...

8 (b) subject areas and courses or modules that are presented in a logically
9 organized manner or sequence to students;

10 (c) course or module materials that are designed or organized by duly qualified
11 faculty. For each course or module, each student shall be provided with a
12 syllabus or course outline that contains:

13 (1) a short, descriptive title of the educational program;

14 (2) a statement of educational objectives;

15 (3) length of the educational program;

16 (4) sequence and frequency of lessons or class sessions;

17 (5) complete citations of textbooks and other required written materials;

18 (6) sequential and detailed outline of subject matter to be addressed or a
19 list of skills to be learned and how those skills are to be measured;

20 (7) instructional mode or methods.

21 ...

22 (e) specific learning outcomes tied to the sequence of the presentation of the
23 material to measure the students' learning of the material; and

24 (f) evaluation by duly qualified faculty of those learning outcomes.

25 28. Title 5, CCR, section 71715, subdivision (b) states, "The institution shall document
26 that the instruction offered leads to the achievement of the learning objectives of each course."

27 29. Title 5, CCR, section 71720 states in part:

28 (a) An Educational Program Leading to a Degree.

 (1) An institution offering an educational program that leads to a degree
shall employ duly qualified faculty sufficient in number to provide the
instruction, student advisement, and learning outcomes evaluation necessary for
the institution to document its achievement of its stated mission and objectives,

1 and for students to achieve the specific learning objectives of each course
2 offered;

3 ...
4 (4) The faculty shall have sufficient expertise to support the institution's
5 awarding of a degree identifying a specialty or major field of emphasis,
6 demonstrated by, at a minimum:

7 (A) That the person possesses one of the following:

8 1. a degree from: an institution approved by the Bureau or
9 previously approved by a predecessor agency of the Bureau; or an
10 accredited institution in the United States or Canada; or other state
11 approved institution that documents that the institution at which the
12 faculty member earned his or her degree is equivalent to an
13 institution that is approved by the Bureau; or an institution outside
14 the United States or Canada and in addition provides a
15 comprehensive evaluation of the degree performed by a foreign
16 credential evaluation service that is a member of the National
17 Association of Credential Evaluation Services (NACES).

18 2. a credential generally recognized in the field of instruction.

19 (B) The degree, professional license, or credential possessed by
20 the person shall be at least equivalent to the level of instruction
21 being taught or evaluated;

22 ...
23 30. Title 5, CCR, section 71745 states in part:

24 (a) The institution shall document that it has at all times sufficient assets and
25 financial resources to do all of the following:

26 (1) Provide all of the educational programs that the institution represented
27 it would provide.

28 (2) Ensure that all students admitted to its educational programs have a
reasonable opportunity to complete the programs and obtain their degrees or
diplomas.

(3) Maintain the minimum standards required by the Act and this chapter.

(4) Pay timely refunds as required by Article 13 of the Act.

(5) Pay all operating expenses due within 30 days.

(6) Maintain a ratio of current assets to current liabilities of 1.25 to 1.00
or greater at the end of the most recent fiscal year when using generally
accepted accounting principles, or for an institution participating in Title IV of
the federal Higher Education Act of 1965, meet the composite score
requirements of the U.S. Department of Education. For the purposes of this
section, current assets does not include: intangible assets, including goodwill,
going concern value, organization expense, startup costs, long-term prepayment

1 of deferred charges, and non-returnable deposits, or state or federal grant or
2 loan funds that are not the property of the institution but are held for future
disbursement for the benefit of students. Unearned tuition shall be accounted
for in accordance with general accepted accounting principles.

3 ...

4 (c) An institution shall provide to the Bureau its most current financial
5 statements upon request.

6 31. Title 5, CCR, section 71760 states, "Each institution shall develop and maintain
7 adequate procedures used by the institution to assure that it is maintained and operated in
8 compliance with the Act and this Division."

9 32. Title 5, CCR, section 71775 states:

10 (a) An unaccredited institution enrolling a student in a degree program that has
11 received provisional approval shall, prior to execution of an enrollment
12 agreement, provide the student with the following notice, which shall be in at
least 12-point type in the same font as the enrollment agreement:

13 "Notice to Prospective Degree Program Students

14 This institution is provisionally approved by the Bureau for Private
15 Postsecondary Education to offer degree programs. To continue to offer
this degree program, this institution must meet the following
requirements:

16 • Become institutionally accredited by an accrediting agency
17 recognized by the United States Department of Education, with the scope
of the accreditation covering at least one degree program.

18 • Achieve accreditation candidacy or pre-accreditation, as defined
19 in regulations, by (date two years from date of provisional approval), and
full accreditation by (date five years from date of provisional approval).

20
21 If this institution stops pursuing accreditation, it must:

22 • Stop all enrollment in its degree programs, and

23 • Provide a teach-out to finish the educational program or provide a
24 refund.

25 An institution that fails to comply with accreditation requirements by the
26 required dates shall have its approval to offer degree programs
automatically suspended.

27 Institutional Representative Initials: _____ Student Initials: _____

28 Date: _____ Date: _____

1 (b) The student and an institutional representative shall initial and date the
2 notice prior to executing an enrollment agreement. An initialed copy of the
enrolled student's records.

3 (c) The notice shall also be posted immediately preceding or following as to
4 clearly pertain to the description of the degree program, including, but not
5 limited to, one or more of the following; admissions requirements, length of
program, courses offered or areas of focus. Such notice shall be included, at a
minimum, in the following locations:

6 (1) The institution's catalog where each degree program is described.

7 (2) The institution's website where each degree program is described.

8 (3) The institution's degree program brochures.

9 33. Title 5, CCR, section 71800 states in part:

10 In addition to the requirements of section 94911 of the Code, an institution shall
11 provide to each student an enrollment agreement that contains at the least the
following information:

12 (a) The name and address of the institution and the addresses where instruction
13 will be provided.

14 (b) Period covered by the enrollment agreement.

15 (c) Program start date and scheduled completion date.

16 (d) Date by which the student must exercise his or her right to cancel or
17 withdraw, and the refund policy, including any alternative method of
calculation if approved by the Bureau pursuant to section 94921 of the Code.

18 (e) Itemization of all institutional charges and fees including, as applicable:

19 (1) tuition;

20 ...

21 (3) equipment;

22 (4) lab supplies or kits;

23 (5) Textbooks, or other learning media;

24 (6) uniforms or other special protective clothing;

25 (7) in-resident housing;

26 (8) tutoring;

27 (9) assessment fees for transfer of credits;

28 (10) fees to transfer credits;

(11) Student Tuition Recovery Fund fee (non-refundable);

...

(f) Charges paid to an entity other than an institution that is specifically required for participation in the educational program.

34. Title 5, CCR, section 71810 states in part:

(a) Each institution shall provide a catalog pursuant to section 94909 of the Code, which shall be updated annually. Annual updates may be made by the use of supplements or inserts accompanying the catalog. If changes in educational programs, educational services, procedures, or policies required to be included in the catalog by statute or regulation are implemented before the issuance of the annually updated catalog, those changes shall be reflected at the time they are made in supplements or inserts accompanying the catalog.

(b) The catalog shall contain the information prescribed by Section 94909 of the Code and all of the following:

(1) The specific beginning and ending dates defining the time period covered by the catalog;

...

(3) If the institution admits students from other countries, whether visa services are provided or whether the institution will vouch for student status, and any associated charges;

...

(6) The institution's policies and practices regarding any form of financial aid, including all consumer information which the institution is required to disclose to the student under any state or federal financial aid program;

...

(9) A description of the facilities and of the types of equipment and materials that will be used for instruction;

(10) A description of library and other learning resources and the procedures for student access to those resources;

...

(12) A description of all student services;

(13) Housing information including all of the following:

(A) Whether the institution has dormitory facilities under its control;

(B) The availability of housing located reasonably near the institution's facilities and an estimation of the approximate cost or range of cost of the housing; and

1 (C) If the institution has no responsibility to find or assist a student
2 in finding housing, a clear and conspicuous statement so indicating.
A statement that the program is "non-residential" does not satisfy
this subparagraph.

3 (14) Policies on student rights, including the procedure for addressing
4 student grievances; and,

5 (15) Policies on the retention of student records.

6 35. Title 5, CCR, section 71850 states in part:

7 Graduation requirements for an undergraduate degree program shall meet
8 minimum credit requirements and shall include provisions for general education
9 appropriate to the level and type of degree. The institution shall specify the
distribution of general education credit requirements by subject area for each
undergraduate degree program.

10 (a) A Bachelor's degree may be awarded to a student whom the institution can
11 document has achieved sequential learning equivalent in general education and
12 equivalent in depth of achievement in a designated major field to that acquired
13 in four years of study beyond high school, as measured by a minimum of 120
semester credits or its equivalent. At least 25 percent of the credit requirements
for a Bachelor's degree shall be in general education.

14 ...

15 36. Title 5, CCR, section 71865 states in part:

16 (a) A Master's degree may only be awarded to a student who demonstrates at
17 least the achievement of learning in a designated major field that is equivalent
18 in depth to that normally acquired in a minimum of 30 semester credits or its
equivalent or one year of study beyond the Bachelor's degree.

19 (b) A professional Doctoral degree may only be awarded to a student who has
20 completed a prescribed level of study normally requiring a minimum of three
21 academic years of full-time graduate study or the equivalent in part-time study;
22 or, if the program leads to a profession or occupation requiring state licensure,
which satisfies the requirements of the state agency. The degree shall include
the name of the field in which it is offered (e.g., Juris Doctor or Doctor of
Music).

23 ...

24 37. Title 5, CCR, section 74112 states:

25 (a) Format. The format for the Performance Fact Sheet shall be in at least 12 pt.
26 type, in an easily readable font, with 1.15 line spacing and all titles and column
27 headings shall be in bold 14 pt. type, which shall also identify the program for
28 which the Performance Fact Sheet pertains. The Performance Fact Sheet shall
contain all and only the information required or specifically permitted by
sections 94910 and 94929.5 of the Code or this chapter. A separate
Performance Fact Sheet shall be prepared for each program.

1 (b) An institution offering educational programs that are too new to provide the
2 required two years of data shall include the date the program began as well as
3 the statement required by section 94910(e) of the Code. The Performance Fact
4 Sheet shall also disclose the estimated date of availability for two full years of
5 data for those programs.

6 (c) Institutions approved under section 94874.8 of the Code, which do not
7 include all required information per section 94874.8(a)(4), shall include on the
8 Performance Fact Sheet the date of approval to operate and when the required
9 data will be available.

10 (d) In addition to the definitions contained in section 94928 of the Code:

11 (1) "Number of Students Who Began the Program" means the number of
12 students who began a program who were scheduled to complete the program
13 within 100% of the published program length within the reporting calendar
14 year, and excludes all students who cancelled during the cancellation period.

15 (2) "Number of On-time Graduates" means the number of students who
16 completed the program within 100% of the published program length within the
17 reporting calendar year.

18 (3) "Gainfully Employed" means:

19 (A) (i) The graduate is employed in a job classification under
20 the United States Department of Labor's Standard Occupational
21 Classification codes, using the Detailed Occupation (six-digit) level, for
22 which the institution has identified in its catalog and in its employment
23 positions list required by section 94910(f)(2) of the Code that the program
24 prepares its graduates; and

25 (ii) The graduate is employed in a single position or
26 concurrent aggregated positions totaling at least 30 hours per week for 5
27 weeks (35 calendar days), or totaling at least 20 hours per week for 5
28 weeks (35 calendar days) with a statement signed by the graduate stating
that he or she chose to seek part-time employment rather than fulltime
employment after graduation; or

(B) The graduate is employed by the same employer that employed
the graduate before enrollment, and any of the following conditions are
met:

(i) the graduate is employed in an occupation with a different
Detailed Occupation (six-digit) level Standard Occupational
Classification code than applies to the position in which the graduate was
employed before enrollment; or

(ii) the employer or the graduate provides a statement to the
effect that the employment after graduation was the result of a promotion
with increased pay, due at least in part to graduation from the program; or

(iii) the employer or the graduate provides a statement to the
effect that the degree or the completed program was required as a
condition of continued employment; or

1 (C) The graduate is self-employed or working freelance as
2 reasonably evidenced by, but not limited to, a business license, fictitious
3 business name statement, advertising (other than business cards), website,
4 or business receipts or other evidence of income from business; or an
5 attestation signed by the graduate of self-employment or freelance work
6 and dated after graduation.

7 (e) Reporting periods:

8 (1) An Annual Report shall include data for all educational programs as
9 defined in section 94837 of the Code for the previous one calendar year.

10 (2) A Performance Fact Sheet shall be current and available not later than
11 December 1st, and shall report data for the previous two calendar years based
12 upon the "number of students who began the program," as defined in
13 subdivision (d)(1) of this section and were scheduled to graduate in the reported
14 year(s).

15 (f) Total Charges. The institution's Annual Report and Performance Fact Sheet
16 shall include the total charges for a student to complete the program within
17 100% of the program length. The institution must include the disclosure that
18 there may be additional charges if the program is not completed on-time.

19 Total charges shall be disclosed in the Performance Fact Sheet in a format
20 substantially similar to the format listed below (dates and numbers are for
21 example only):

22 **Cost of Educational Program:**

23 Total Charges for the program for students completing on-time in 20XX: \$50,000.

24 Total Charges may be higher for students that do not complete on-time.

25 Student's Initials: _____ Date: _____

26 **Initial only after you have had sufficient time to read and understand the information.**

27 (g) Student Loan/Debt Information.

28 (1) If the institution participates in federal financial aid programs, the
institution shall include loan information in the institution's Annual Report and
on the Performance Fact Sheet. The loan information shall include:

(A) The most recent three year cohort default rate, as reported by
the United States Department of Education;

(B) The percentage of enrolled students receiving federal student
loans;

(C) The average amount of federal student loan debt of those
graduates who have federal student loan debt in the reporting year; and

(D) The percentage of graduates with federal student loans, as
calculated by the institution.

Loan information shall be included in the Performance Fact Sheet in a format

1 substantially similar to the format listed below (dates and numbers are for
example only):

2 **Federal Student Loan Debt at (Name of Institution)**

3 Percentage of students who defaulted on their federal student loans at this school: 28%¹
4 Percentage of students enrolled in 20XX who took out federal student loans to pay for this program: 43%
5 Percentage of graduates in 20XX who took out federal student loans to pay for this program: 65%
6 Average federal student loan debt of 20XX graduates who took out federal student loans at this institution:
7 \$26,000

8 ¹ The percentage of students who defaulted on their federal student loans is called the Cohort Default Rate
(CDR). It shows the percentage of this school's students who were more than 270 days (about 9 months)
9 behind on their federal student loans within three years of when the first payment was due. This is the most
10 recent CDR reported by the U.S. Department of Education.

11 Student's Initials: _____ Date: _____

12 **Initial only after you have had sufficient time to read and understand the information.**

13 (2) Institutions that do not participate in federal financial aid programs
14 shall include one of two statements in the Performance Fact Sheet in a format
15 substantially similar to the following:

16 Students at (name of institution) are not eligible for federal student loans. The U.S. Department of Education
17 has determined that this institution does not meet the criteria that would allow its students to participate in
18 federal student aid programs.

19 or

20 (Name of Institution) is eligible, but chooses not to participate in federal student aid programs. So
21 students here do not have federal student loans.

22 Student's Initials: _____ Date: _____

23 **Initial only after you have had sufficient time to read and understand the information.**

24 (h) Completion Rates. Reporting of completion rates for an institution's Annual
25 Report and Performance Fact Sheet shall include, for each educational program,
26 the number of students who began the program as defined in subdivision (d)(1) of
27 this section, the number of students available for graduation, number of on-time
28 graduates, and completion rate(s). An optional table may be added to include
completion rate data for students completing within 150% of the published
program length. For an institution reporting completion data pursuant to section
94929(b) of the Code, completion data shall be separately reported for each
program and the Performance Fact Sheet shall disclose, if true, that the completion
data is being reported for students completing within 150% of the published
program length, and that data is not being separately reported for students
completing the program within 100% of the published program length. Programs
that are more than one year in length which are reporting 150% Completion Rate
will provide four calendar years of data.

Completion rates shall be included in the Performance Fact Sheet in a format
substantially similar to the chart below (dates, numbers, and other data shown are
for example only):

///

///

1 **On-time Completion Rates (Graduation Rates) (includes data for the two calendar years prior to reporting)**

2 **Name of Educational Program (Program Length)**

3

4 Calendar Year	Number of Students Who Began the Program	Students Available for Graduation	Number of On-Time Graduates	On-time Completion Rate
5 20XX	100	98	70	71%
6 20XY	80	80	55	69%

7 **Students Completing Within 150% of the Published Program Length**

8 **Name of Educational Program (Program Length)**

9

10 Calendar Year	Number of Students Who Began the Program	Students Available for Graduation	150% Graduates	150% Completion Rate
11 20XX	100	98	95	97%
12 20XY	80	80	78	98%
*20XZ	90	90	87	97%
*20YA	87	85	74	87%

13 *Included only if program is more than one year in length

14 Student's Initials: _____ Date: _____

15 **Initial only after you have had sufficient time to read and understand the information.**

16 **(i) Job Placement Rates.**

17 (1) Any placement data required by sections 94910(b) and 94929.5(a) of
18 the Code shall be reported for the number of students who began the program as
defined in subdivision (d)(1) of this section for each reported calendar year.

19 (2) Placement is measured six months from the graduation date of each
20 student. For programs that require passage of a licensing examination, placement
shall be measured six months after the announcement of the examination results
21 for the first examination available after a student completes an applicable
educational program. Reporting of placement rates shall include for each
22 educational program: the number of students who began the program, the number
of graduates as defined in section 94842 of the Code, the graduates available for
employment, graduates employed in the field and job placement rate(s).

23 (3) If the institution makes any claim related to preparing students for a
24 job or regarding job placement, the list required by section 94910(f)(2) of the
Code shall identify the employment positions by using the Detailed Occupation
25 or six-digit level of the Standard Occupational Classification codes.

26 (4) Placement rate shall be calculated as follows: the number of graduates
27 employed in the field as defined in section 94928(e)(1) of the Code in
conjunction with section 74112(d)(3) divided by the number of graduates
28 available for employment as defined in section 94928(d) of the Code.

1 Job Placement rates and related disclosures shall be included in the
 2 Performance Fact Sheet in a format substantially similar to the charts below,
 (dates, numbers, and other data shown are for example only):

3 **Job Placement Rates (includes data for the two calendar years prior to reporting)**

4 **Name of Educational Program (Program Length)**

Calendar Year	Number of Students Who Began the Program	Number of Graduates	Graduates Available for Employment	Graduates Employed in the Field	Placement Rate % Employed in the Field
20XX	100	70	70	55	79%
20XY	80	55	55	20	36%

9 **Gainful Employment Categories (includes data for the two calendar years prior to reporting)**

10 **Name of Educational Program (Program Length)**

11 **Part Time vs. Full Time Employment**

	Graduates Employed in the field 20 to 29 hours per week	Graduates Employed in the field at least 30 hours per week	Total Graduates Employed in the Field
20XX	15	40	55
20XY	5	15	20

14 **Single Position vs. Concurrent Aggregated Positions**

	Graduates Employed in the field in a single position	Graduates Employed in the field in concurrent aggregated positions	Total Graduates Employed in the Field
20XX	52	3	55
20XY	19	1	20

18 **Self-Employed/Freelance Positions**

	Graduates Employed in the field who are self-employed or working freelance	Total Graduates Employed in the Field
20XX	3	55
20XY	5	20

21 **Institutional Employment**

	Graduates Employed in the field who are employed by the institution, an employer owned by the institution, or an employer who shares ownership with the institution	Total Graduates Employed in the Field
20XX	15	55
20XY	5	20

25 Student's Initials: _____ Date: _____

26 **Initial only after you have had sufficient time to read and understand the information.**

27 (5) The following self-employment/freelance worker disclosure shall be
 28 initialed by students entering any programs in which the majority of graduates

1 who obtain jobs obtain in this type of work:

2 This program may result in freelance or self-employment.

- 3 • The work available to graduates of this program is usually for freelance or self-employment.
4 • This type of work may not be consistent.
5 • The period of employment can range from one day to weeks to several months.
6 • Hours worked in a day or week may be more or less than the traditional 8 hour work day or 40 hour work
7 week.
8 • You can expect to spend unpaid time expanding your networks, advertising, promoting your services, or
9 honing your skills.
10 • Once graduates begin to work freelance or are self-employed, they will be asked to provide documentation
11 that they are employed as such so that they may be counted as placed for our job placement records.
12 • Students initialing this disclosure understand that either a majority or all of this school's graduates are
13 employed in this manner and understand what comprises that work style.

14 Student's Initials: _____ Date: _____

15 Only initial after you have had sufficient time to read and understand the information.

16 (j) License Examination Passage Rates. If license examination passage rates are
17 not available from the appropriate state agency, an institution shall collect the
18 information directly from its graduates. If an institution demonstrates that, after
19 reasonable efforts, it is unable to obtain the examination passage information
20 from its graduates, the institution shall report the number of students it could
21 not contact and note in a font the same size as the majority of the data on the
22 Performance Fact Sheet, "License examination passage data is not available
23 from the state agency administering the examination. We were unable to collect
24 data from [enter the number] graduates."

25 Reporting of license examination passage rates for the Annual Report and the
26 Performance Fact Sheet shall include, for each educational program: the
27 number of graduates in the reported year, the number of documented graduates
28 who passed the first available examination, number of documented graduates
who failed the first available examination, the number of graduates for whom
data is not available. An optional column may be added to separately report
licensing examination data for graduates who take and pass the exam after
failing initially. The Annual Report shall also include a description of the
processes for attempting to contact those students.

For licensing examinations that are not continuously administered, license
examination passage rates shall be included in the Performance Fact Sheet in a
format substantially similar to the chart below, (dates, numbers, and other data
shown are for example only):

License Examination Passage Rates (includes data for the two calendar years prior to reporting)

Name of Educational Program (Program Length)

First Available Exam Date	Date Exam Results Announced	Number of Graduates In Calendar Year	Number of Graduates Taking Exam	Number Who Passed Exam	Number Who Failed Exam	Passage Rate
2/1/20XX	3/15/20XX	277	80	40	40	50%
6/1/20XX	7/15/20XX	277	100	75	25	75%
10/1/20XX	11/15/20XX	277	82	68	14	76%
2/1/20XY	3/20/20XX	304	80	40	40	50%

6/1/20XY	7/19/20XX	304	100	70	30	70%
10/1/20XY	11/19/20XX	304	92	62	30	67%

License examination passage data is not available from the state agency administering the examination. We were unable to collect data from 32 graduates.

Student's Initials: _____ Date: _____

Initial only after you have had sufficient time to read and understand the information.

For licensing examinations that are continuously administered, license examination passage rates shall be included in the Performance Fact Sheet in a format substantially similar to the chart below (dates, numbers, and other data shown are for example only):

License Examination Passage Rates (includes data for the two calendar years prior to reporting)

Name of Educational Program (Program Length)

Calendar Year	Number of Graduates in Calendar Year	Number of Graduates Taking Exam	Number Who Passed First Available Exam	Number Who Failed First Available Exam	Passage Rate
20XX	95	80	40	40	50%
20XY	109	100	75	25	75%

License examination passage data is not available from the state agency administering the examination. We were unable to collect data from 10 graduates.

Student's Initials: _____ Date: _____

Initial only after you have had sufficient time to read and understand the information.

(k) Salary and Wage Information.

All Salary and Wage Information shall be reported to the Bureau pursuant to sections 94910(d) and 94929.5(a)(3) of the Code and shall be included in the Performance Fact Sheet, for each educational program, in a format substantially similar to the chart below (dates, numbers, salaries, and other data shown are for example only).

Salary and Wage Information (includes data for the two calendar years prior to reporting)

Name of Educational Program (Program Length)

Annual Salary and Wages Reported for Graduates Employed in the Field

Calendar Year	Graduates Available for Employment	Graduates Employed in the Field	\$15,000-\$20,000	\$20,001-\$25,000	\$25,001-\$30,000	\$30,001-\$35,000	No salary Information Reported
20XX	100	70	5	40	6	3	16
20XY	80	55	5	7	3	5	35

1 A list of sources used to substantiate salary disclosures is available from the school. (Insert how student can
2 obtain this information.)

3 Student's Initials: _____ Date: _____

4 **Initial only after you have had sufficient time to read and understand the information.**

5 (l) Definitions. Definitions for all terms contained on the Performance Fact
6 Sheet shall be included as part of the Performance Fact Sheet, in the same
format as required in subdivision (a).

7 The following are the definitions for the Performance Fact Sheet:

8 "Number of Students Who Began the Program" means the number of students
9 who began a program who were scheduled to complete the program within
10 100% of the published program length within the reporting calendar year and
excludes all students who cancelled during the cancellation period.

11 "Students Available for Graduation" is the number of students who began the
12 program minus the number of students who have died, been incarcerated, or
been called to active military duty.

13 "Number of On-time Graduates" is the number of students who completed the
14 program within 100% of the published program length within the reporting
calendar year.

15 "On-time Completion Rate" is the number of on-time graduates divided by the
16 number of students available for graduation.

17 "150% Graduates" is the number of students who completed the program
18 within 150% of the program length (includes on-time graduates).

19 "150% Completion Rate" is the number of students who completed the program
20 in the reported calendar year within 150% of the published program length,
including on-time graduates, divided by the number of students available for
21 graduation.

22 "Graduates Available for Employment" means the number of graduates minus
23 the number of graduates unavailable for employment.

24 "Graduates Unavailable for Employment" means the graduates who, after
25 graduation, die, become incarcerated, are called to active military duty, are
26 international students that leave the United States or do not have a visa allowing
27 employment in the United States, or are continuing their education in an
28 accredited or bureau-approved postsecondary institution.

"Graduates Employed in the Field" means graduates who beginning within six
months after a student completes the applicable educational program are
gainfully employed, whose employment has been reported, and for whom the
institution has documented verification of employment. For occupations for
which the state requires passing an examination, the six month period begins
after the announcement of the examination results for the first examination
available after a student completes an applicable educational program.

1 "Placement Rate Employed in the Field" is calculated by dividing the number
of graduates gainfully employed in the field by the number of graduates
available for employment.

2
3 "Number of Graduates Taking Exam" is the number of graduates who took the
first available exam in the reported calendar year.

4 "First Available Exam Date" is the date for the first available exam after a
student completed a program.

5 "Passage Rate" is calculated by dividing the number of graduates who passed
6 the exam by the number of graduates who took the reported licensing exam.

7 "Number Who Passed First Available Exam" is the number of graduates who
took and passed the first available licensing exam after completing the program.

8 "Salary" is as reported by graduate or graduate's employer.

9 "No Salary Information Reported" is the number of graduates for whom, after
10 making reasonable attempts, the school was not able to obtain salary
information.

11 (m) Documentation supporting all data reported shall be maintained
12 electronically by the institution for at least five years from the last time the data
was included in either an Annual Report or a Performance Fact Sheet and shall
13 be provided to the Bureau upon request; the data for each program shall include
at a minimum:

14 (1) the list of job classifications determined to be considered gainful
15 employment for the educational program;

16 (2) student name(s), address, phone number, email address, program
17 completed, program start date, scheduled completion date, and actual
completion date;

18 (3) graduate's place of employment and position, date employment began,
19 date employment ended, if applicable, actual salary, hours per week, and the
date employment was verified;

20 (4) for each employer from which employment or salary information was
21 obtained, the employer name(s) address and general phone number, the contact
person at the employer and the contact's phone number and email address, and
22 all written communication with employer verifying student's employment or
salary;

23 (5) for students who become self-employed, all documentation necessary
24 to demonstrate self-employment;

25 (6) a description of all attempts to contact each student or employer;

26 (7) any and all documentation used to provide data regarding license
examinations and examination results;

27 (8) for each student determined to be unavailable for graduation or
28 unavailable for employment, the identity of the student, the type of
unavailability, the dates of unavailability, and the documentation of the

unavailability; and

1
2 (9) the name, email address, phone number, and position or title of the
3 institution's representative who was primarily responsible for obtaining the
4 students' completion, placement, licensing, and salary and wage data, the date
5 that the information was gathered, and copies of notes, letters or emails through
6 which the information was requested and gathered.

7 (n) The institution shall provide on a separate document along with the
8 Performance Fact Sheet the same cancellation disclosure as that which is
9 required to be included with the enrollment agreement by Section 94911(e)(1)
10 of the Code. The separate document shall be substantially the same size as the
11 Performance Fact Sheet and shall be captioned "STUDENT'S RIGHT TO
12 CANCEL" using bold 14 pt. type.

13 38. Title 5, CCR, section 74115 states:

14 (a) This section applies to every set of financial statements required to be
15 prepared or filed by the Act or by this chapter.

16 (b) A set of financial statements shall contain, at a minimum, a balance sheet,
17 an income statement, and a cash flow statement, and the preparation of financial
18 statements, shall comply with all of the following:

19 (1) Audited and reviewed financial statements shall be conducted and
20 prepared in accordance with the generally accepted accounting principles
21 established by the American Institute of Certified Public Accountants by an
22 independent certified public accountant who is not an employee, officer, or
23 corporate director or member of the governing board of the institution.

24 (2) Financial statements prepared on an annual basis as required by
25 section 74110(b) shall be prepared in accordance with the generally accepted
26 accounting principles established by the American Institute of Certified Public
27 Accountants. Nonprofit institutions shall provide annual financial statements as
28 required under generally accepted accounting principles for nonprofit
organizations.

(3) The financial statements shall establish that the institution meets the
requirements for financial resources required by Section 71745.

(4) If an audit performed to determine compliance with any federal or
state student financial aid program reveals any failure to comply with the
requirements of the program and the noncompliance creates any liability or
potential liability for the institution, the financial statements shall reflect the
liability or potential liability.

(5) Any audits shall demonstrate that the accountant obtained an
understanding of the institution's internal financial control structure, assessed
any risks, and has reported any material deficiencies in the internal controls.

(c) Work papers for the financial statements shall be retained for five years
from the date of the statements and shall be made available to the Bureau upon
request.

(d) "Current" with respect to financial statements means completed no sooner
than 120 days prior to the time it is submitted to the Bureau, and covering no

1 less than the most recent complete fiscal year. If more than 8 months will have
2 elapsed between the close of the most recent complete fiscal year and the time it
is submitted, the fiscal statements shall also cover no less than five months of
that current fiscal year.

3 39. Title 5, CCR, section 76215 states:

4 (a) A qualifying institution shall include the following statement on both its
5 enrollment agreement for an educational program and its current schedule of
student charges:

6 "You must pay the state-imposed assessment for the Student Tuition
7 Recovery Fund (STRF) if all of the following applies to you:

8 1. You are a student in an educational program, who is a California
9 resident, or are enrolled in a residency program, and prepay all or part of
your tuition either by cash, guaranteed student loans, or personal loans,
and

10 2. Your total charges are not paid by any third-party payer such as
11 an employer, government program or other payer unless you have a
separate agreement to repay the third party.

12 You are not eligible for protection from the STRF and you are not
13 required to pay the STRF assessment, if either of the following applies:

14 1. You are not a California resident, or are not enrolled in a
residency program, or

15 2. Your total charges are paid by a third party, such as an employer,
16 government program or other payer, and you have no separate agreement
to repay the third party."

17 (b) In addition to the statement described under subdivision (a) of this section, a
18 qualifying institution shall include the following statement on its current
schedule of student charges:

19 "The State of California created the Student Tuition Recovery Fund
20 (STRF) to relieve or mitigate economic losses suffered by students in
educational programs who are California residents, or are enrolled in a
21 residency programs attending certain schools regulated by the Bureau for
Private Postsecondary and Vocational Education.

22 You may be eligible for STRF if you are a California resident or are
23 enrolled in a residency program, prepaid tuition, paid the STRF
assessment, and suffered an economic loss as a result of any of the
24 following:

25 1. The school closed before the course of instruction was
completed.

26 2. The school's failure to pay refunds or charges on behalf of a
27 student to a third party for license fees or any other purpose, or to provide
equipment or materials for which a charge was collected within 180 days
28 before the closure of the school.

1 3. The school's failure to pay or reimburse loan proceeds under a
2 federally guaranteed student loan program as required by law or to pay or
reimburse proceeds received by the school prior to closure in excess of
tuition and other costs.

3 4. There was a material failure to comply with the Act or this
4 Division within 30 days before the school closed or, if the material failure
began earlier than 30 days prior to closure, the period determined by the
5 Bureau.

6 5. An inability after diligent efforts to prosecute, prove, and collect
on a judgment against the institution for a violation of the Act.”

7 However, no claim can be paid to any student without a social security number
8 or a taxpayer identification number.

9 **FACTS**

10 40. On May 5, 2011, the Bureau received an Application for Approval to Operate a Non-
11 accredited Institution (Application No. 23453) from Western Cambridge University
12 (Respondent).

13 41. On June 11, 2012, the Bureau received an amended version of the application from
14 Respondent.

15 42. On October 19, 2012, the Bureau sent Respondent a letter advising that the Bureau
16 could not grant Respondent an approval to operate because of deficiencies in the application,
17 including deficiencies pertaining to the institution's form of business organization and
18 management, the student enrollment agreement, catalog, instruction and degrees offered, facilities
19 and equipment, financial resources and statements, and faculty, among others.

20 43. On November 6, 2012, the Bureau sent Respondent a letter advising that the Bureau
21 could not grant Respondent an approval to operate because of deficiencies that remained in the
22 application.

23 44. On November 14, 2012, the Bureau received Respondent's response to the deficiency
24 letter. On the same date, the Bureau received a fax from Respondent requesting that CAO, C.C.
25 be added as an authorized contact person.

26 45. On December 5, 2012, March 18, 2013, October 11, 2013, and October 29, 2014, the
27 Bureau received Respondent's additional responses to the November 6, 2012 deficiency letter.

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1 46. On March 18, 2013, the Bureau received a letter from the institution notifying the
2 Bureau of the institution's name change from American University of California to Western
3 Cambridge University.

4 47. On October 11, 2013, the Bureau received financial statements as of June 30, 2013.

5 48. On March 17, 2014, the Bureau received financial statements as of February 28,
6 2014.

7 49. On July 10, 2015, the Bureau sent Respondent a second letter advising that the
8 Bureau could not grant Respondent an approval to operate because of deficiencies that remained
9 in the application and supporting documents.

10 50. The Bureau denied Respondent's Application for Approval to Operate a Non-
11 Accredited Institution and sent Respondent a "Notice of Denial" on November 13, 2015.

12 **FIRST CAUSE FOR DENIAL OF APPLICATION**

13 **(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards**

14 **- Failure to Provide Institution's Contact Person)**

15 51. Respondent's application is subject to denial under Education Code section 94887
16 and title 5, CCR, sections 71100 and 71110(e) for failing to demonstrate its capacity to satisfy
17 minimum operating standards by failing to provide the name, address and telephone number of
18 the institution's contact person. The circumstances are as follows.

19 52. Respondent's Form Application, received by the Bureau on May 5, 2011, identified
20 A.K. as the institution's contact person. Respondent's revised Application received by the
21 Bureau on December 5, 2012, identified R.C. as the institution's contact person. On May 16,
22 2014, the Bureau received an e-mail from R.C. stating that he was no longer associated with the
23 institution. However, the Bureau has not received any notification from Respondent that the
24 contact person has changed. Therefore, the Bureau is unable to determine who the current contact
25 person is.

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SECOND CAUSE FOR DENIAL OF APPLICATION

**(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards
- Form of Business Organization)**

53. Respondent’s application is subject to denial under Education Code section 94887 and title 5, CCR, sections 71100 and 71120 for failing to demonstrate its capacity to satisfy minimum operating standards in that on Respondent’s Form Application, Respondent indicated it is structured as a “For Profit Corporation.” As a corporation, Respondent is required to provide copy of its bylaws and Articles of Incorporation. Respondent failed to provide a copy of Articles of Incorporation.

THIRD CAUSE FOR DENIAL OF APPLICATION

**(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards
- Owners)**

54. Respondent’s application is subject to denial under Education Code section 94887 and title 5, CCR, sections 71100 and 71130 for failing to demonstrate its capacity to satisfy minimum operating standards by failing to identify the institution’s owners. The circumstances are as follows.

55. Respondent’s Form Application indicates that Ludt holds 100 percent ownership of the institution. According to the City of Anaheim Business Tax Certification status, the owners are reflected as R.C., K.K. and Ludt. In addition, the Bureau received an e-mail from R.C. advising that the institution had been sold to another party. The Bureau has not received any communication or documentation from Ludt that there has been a change in ownership. As such, the Bureau is unable to ascertain the institution’s ownership.

FOURTH CAUSE FOR DENIAL OF APPLICATION

**(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards
- Organization and Management)**

56. Respondent’s application is subject to denial under Education Code section 94887 and title 5, CCR, sections 71100 and 71140 for failing to demonstrate its capacity to satisfy minimum operating standards by failing to identify administrative positions in its organizational

1 chart. The institution's catalog and other documents submitted in support of Respondent's
2 application referred to the following administrative positions: Chancellor, Provost, Admissions,
3 Student Services Director, Academic Advisor, Chief Operating Officer, Chief Executive Officer
4 an the Director of Finance. The organizational chart submitted by Respondent did not include
5 these positions, nor their corresponding job descriptions.

6 **FIFTH CAUSE FOR DENIAL OF APPLICATION**

7 **(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards**
8 **- Governing Board)**

9 57. Respondent's application is subject to denial under Education Code section 94887
10 and title 5, CCR, sections 71100 and 71150 for failing to demonstrate its capacity to satisfy
11 minimum operating standards by failing to provide sufficient information regarding the
12 institution's governing board members. The institution submitted a list of governing board
13 members that included W.C. and X.G. however, no e-mail addresses were provided as to these
14 members as required, and no explanation was provided about the failure to include their e-mail
15 addresses.

16 **SIXTH CAUSE FOR DENIAL OF APPLICATION**

17 **(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards**
18 **- Institution Representative)**

19 58. Respondent's application is subject to denial under Education Code section 94887
20 and title 5, CCR, sections 71100 and 71160 for failing to demonstrate its capacity to satisfy
21 minimum operating standards by failing to identify the person with whom the Bureau will
22 correspond and conduct legal transactions on behalf of the institution. Respondent's Form
23 Application identified R.C. as the institution's representative however, on May 16, 2014, the
24 Bureau received an e-mail from R.C. advising that he was no longer associated with the
25 institution. The Bureau has not received any notification that the institution's representative has
26 changed. The Bureau is unable to determine who is currently occupying this position.

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1 **SEVENTH CAUSE FOR DENIAL OF APPLICATION**

2 **(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards**

3 **- Enrollment Agreement)**

4 59. Respondent's application is subject to denial under Education Code sections 94887,
5 94909 and 94911, and title 5, CCR, sections 71100, 71800, 76215 for failing to demonstrate its
6 capacity to satisfy minimum operating standards in that the enrollment agreement contains
7 deficiencies as set forth below:

8 a. The enrollment agreement failed to include the name of the educational program, the
9 total number of credit hours, clock hours, or other increment required to complete the educational
10 program, as required by Code section 94911(a).

11 b. The enrollment agreement failed to include the address where instruction will be
12 provided; the period covered by the enrollment agreement; the program start date and scheduled
13 completion date; the date by which the student must exercise his or her right to cancel or
14 withdraw and the refund policy, as required by title 5, CCR, sections 71800(a) through (d).

15 c. The enrollment agreement failed to include an itemization of all institutional charges
16 and fees, as required by title 5, CCR, section 71800(e)(1), (e)(3) through (e)(11) and (f).

17 d. The enrollment agreement failed to include a schedule of total charges, including a
18 list of nonrefundable charges and student's obligations to the Student Tuition Recovery Fund that
19 are clearly identified as a nonrefundable charge, as required by Code section 94911(b).

20 e. The enrollment agreement failed to include the total charges for the current period of
21 attendance, the estimated total charges for the entire educational program, and the total charges
22 the student is obligated to pay upon enrollment, in underlined capital letters on the same page as
23 the student's signature, as required by Code section 94911(c):

24 f. The enrollment agreement and schedule of student charges failed to include the
25 specific required language related to the Student Tuition Recovery Fund (STRF), as required by
26 and title 5, CCR, section 76215(b).

27 g. The "Student's Right to Cancel" policy as set forth in the enrollment agreement did
28 not include the explanation that the student has the right to cancel and obtain a refund of charges

1 paid through attendance at the first class session or the seventh day after enrollment, which is
2 later. This language is required by Code section 94911(e)(1).

3 h. The institution's refund policy as set forth in the enrollment agreement did not state
4 that if the student has received federal student financial aid funds, the student is entitled to a
5 refund of moneys no paid from federal student financial aid program funds, as required by Code
6 section 94911(e)(2).

7 i. The enrollment agreement incorrectly described the procedure a student is required to
8 follow to cancel the enrollment agreement by incorrectly stating the institution's name in the
9 mailing address where the notice of cancellation is to be sent, a violation of Code section
10 94911(e)(3).

11 j. The enrollment agreement failed to include the specific language regarding the
12 transferability disclosure, as required by Code section 94911(h) and 94909(a)(15). In addition,
13 since the institution offers more than one educational program, a blank line, such as " _____ "
14 should be inserted wherever "name of educational program" appears so that the name of the
15 program can be inserted in each enrollment agreement as each agreement is completed.

16 k. The enrollment agreement failed to include the following paragraph, as required by
17 Code section 94911(i)(1):

18 Prior to signing this enrollment agreement, you must be given a catalog or
19 brochure and a School Performance Fact Sheet, which you are encouraged to
20 review prior to signing this agreement. These documents contain important
21 policies and performance data for this institution. This institution is required to
22 have you sign and date this information included in the School Performance
23 Fact Sheet relating to completion rates placement rates, license examination
24 passage rates, and salaries or wages, and the most recent three-year cohort
25 default rate, if applicable, prior to signing this agreement.

26 l. The enrollment agreement failed to include a line immediately following the
27 paragraph below, which appears on the first page of the agreement, for the student to initial, as
28 required by Code section 94911(i)(2):

I certify that I have received the catalog, School Performance Fact Sheet, and
information regarding completion rates, placement rates, license examination
passage rates, and salary or wage information, and the most recent three-year
cohort default rate, if applicable, included in the School Performance Fact

1 Sheet, and have signed, initialed and dated the information provided in the
2 School Performance Fact Sheet.

3 **EIGHTH CAUSE FOR DENIAL OF APPLICATION**

4 **(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards**

5 **- Instruction and Degrees Offered)**

6 60. Respondent's application is subject to denial under Education Code section 94887
7 and title 5, CCR, sections 71100, 71210, 71850(a) and 71865(a) and (b) for failing to demonstrate
8 its capacity to satisfy minimum operating standards in that Respondent failed to submit the
9 following information for any of the proposed educational programs:

- 10 a. admission requirements, including minimum levels of prior education, preparation or
11 training;
12 b.. if applicable, information regarding the ability-to-benefit examination as required by
13 Code section 94094;
14 c. the types of general education required;
15 d. the title of the educational programs and other components of instruction offered;
16 e. the method of instruction;
17 f. the graduation requirements; and,
18 g. if the educational program is designed to lead to, or prepare students, for employment
19 in any occupation, the occupations and job titles to which the educational programs will lead.

20 **NINTH CAUSE FOR DENIAL OF APPLICATION**

21 **(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards**

22 **- Description of Educational Programs)**

23 61. Respondent's application is subject to denial under Education Code section 94887
24 and section 71100, for failing to demonstrate its capacity to satisfy minimum operating standards
25 as follows:

- 26 a. Respondent failed to submit the following information for any of the proposed
27 educational programs, in violation of title 5, CCR, sections 71220(a) – (e), 71710(b), (c)(1-7), (e)
28 and (f):

///

- 1 i) a description of each program;
2 ii) a description of the equipment to be used during the educational program;
3 iii) a description of the number and qualifications of the faculty needed to teach the
4 educational program;
5 iv) a projection, and the bases for the projection, of the number of students that the
6 institution plans to enroll in the educational programs during each of the three years
7 following the date the application is submitted; and,
8 v) a description of the learning, skills, and other competencies to be acquired y
9 students who complete the educational program.

10 b. Respondent failed to submit a syllabus for all courses provided by the institution; a
11 clear, sequential outline of each program; a list of faculty teaching assignment(s) first by program
12 and then by course; and, a list identifying the curriculum developer(s) and their qualifications,
13 including a resume or curriculum vitae, in violation of title 5, CCR, sections 71710(c)(1-7),
14 71720(a)(1) and 71715(b), and Section 94897(i)(2).

15 c. The institution submitted the following statement regarding the proposed Bachelor of
16 Arts program:

17 ...course requirements for completion of the Bachelor of Arts in Business
18 Administration are based on the General Education Requirements of the
California State University System FRC certification pattern...

19 This statement may be interpreted by students as an endorsement of the institution by the
20 California State University system and as such is in violation of Code section 94897(i)(2).

21 **TENTH CAUSE FOR DENIAL OF APPLICATION**

22 **(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards**
23 **- Financial Resources and Statements)**

24 62. Respondent's application is subject to denial under Education Code section 94887
25 and title 5, CCR, sections 71100, 71240, 71745 and 74115 for failing to demonstrate its capacity
26 to satisfy minimum operating standards by failing to document that it has at all times sufficient
27 assets and financial resources to provide all of the educational programs that the institution
28

1 represented it would provide. The financial statements provided were neither audited nor
2 reviewed financial statements and only covered a three-month period.

3 **ELEVENTH CAUSE FOR DENIAL OF APPLICATION**

4 **(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards**
5 **- Faculty)**

6 63. Respondent's application is subject to denial under Education Code sections 94887
7 and 94900.5 and title 5, CCR, sections 71100 and 71720(a)(1), (a)(4)(A) and (a)(4)(B) for failing
8 to demonstrate its capacity to satisfy minimum operating standards as follows:

9 a. The institution failed to demonstrate the qualifications of its faculty. The institution
10 did not submit academic transcripts for any of its faculty members, as requested by the Bureau in
11 its deficiency letter dated July 10, 2015.

12 b. The institution did not submit a complete list of faculty members and their proposed
13 faculty contracts as indicated in Paragraph 16 of the Form Application and as requested by the
14 Bureau in its deficiency letter dated July 10, 2015.

15 **TWELFTH CAUSE FOR DENIAL OF APPLICATION**

16 **(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards**
17 **- Facilities and Equipment)**

18 64. Respondent's application is subject to denial under Education Code section 94887
19 and title 5, CCR, sections 71100 and 71260(b) and (f), for failing to demonstrate its capacity to
20 satisfy minimum operating standards as follows:

21 a. The lease agreement submitted by Respondent has expired. A current lease
22 agreement, either active or a draft, was requested by the Bureau in its deficiency letter of July 10,
23 2015, but has not been submitted.

24 b. The Business Tax Certificate submitted by Respondent indicated that the location was
25 to be used only as an administrative office for "Law School & University." It also stated that
26 business name as "American University of California." A current certificate and any other
27 permits or licenses to operate were requested by the Bureau in its deficiency letter of July 10,
28 2015, but have not been submitted.

1 **THIRTEENTH CAUSE FOR DENIAL OF APPLICATION**

2 **(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards**

3 **- Catalog)**

4 65. Respondent's application is subject to denial under Education Code sections 94887,
5 94897, 94900, 94900.5, 94909, 94920, and title 5, CCR, sections 71100, 71140, 71775, 71810,
6 and 76215 for failing to demonstrate its capacity to satisfy minimum operating standards as
7 follows:

8 a. The Bureau requested that the institution submit a statement indicating how often the
9 catalog is updated pursuant to title 5, CCR, section 71810, however, this information was not
10 received.

11 b. The institution did not submit a statement indicating how the school catalog is
12 provided to a prospective student or to the general public when requested, as required by Code
13 section 94909(a).

14 c. The institution's catalog contained the website address of a different institution and
15 did not provide an updated website address for the institution upon the Bureau's request, as
16 required by Code section 94909(a)(1).

17 d. The institution's catalog did not contain the address where class sessions will be held,
18 as required by Code section 94909(a)(4).

19 e. The institution's catalog did not contain the specific beginning and end dates for the
20 period covered by the catalog by specifying the month, day and year as required by title 5, CCR,
21 section 71810(b)(1).

22 f. The institution's catalog did not contain statement specifying whether the institution
23 has a pending petition in bankruptcy, is operating as a debtor in possession, has filed a petition
24 within the preceding five years, or has had a petition in bankruptcy filed against it within the
25 preceding five years that resulted in reorganization under Chapter 11 of the United States
26 Bankruptcy Code, as required by Code section 94909 (a)(12).

27 g. The institution's catalog failed to accurately describe the institution's facilities as
28 required by title 5, CCR, section 71810(b)(9) in that the catalog described the facilities as

1 encompassing 25,000 square feet on the first and second floors of the facility for classrooms, a
2 resource center and faculty workspace. The lease agreement states the institution leased
3 approximately 1,720 square feet on the first floor and the facility map submitted by Respondent
4 does not show a resource center or faculty workspace.

5 h. The institution's catalog failed to accurately describe the library and other learning
6 resources as required by title 5, CCR, section 71810(b)(10) in that the catalog described the
7 institution as having "library facilities for over 20,000 books and other print media" whereas the
8 catalog stated the institution had "an extensive library of over 2,000 books" which are located on-
9 site. ..." In addition, the catalog fails to include procedures for student access to other learning
10 resources.

11 i. The institution's catalog did not contain the correct Website address for the Bureau in
12 the specific language that directs students to the Bureau for unanswered questions, as required by
13 Code section 94909(a)(3)(A).

14 j. The institution's catalog did not contain the following disclosure, as required by Code
15 section 94909(a)(3)(C):

16 A student or any member of the public may file a complaint about this
17 institution with the Bureau for Private Postsecondary Education by calling (toll-
18 free telephone number) or by completing a complaint form, which can be
19 obtained on the bureau's Internet Web site (Internet Web site address).

20 k. The institution's catalog did not contain the "NOTICE CONCERNING
21 TRANSFERABILITY OF CREDITS AND CREDENTIALS EARNED AT OUR
22 INSTITUTION," as required by Code section 94909(a)(15).

23 l. The institution's catalog did not contain the "Notice to Prospective Degree Program
24 Students," as required by title 5, CCR, section 71775.

25 m. The institution's catalog contains a section regarding International Student
26 Admissions. However, Respondent was unable to document compliance with title 5, CCR,
27 section 71810(b)(3).

28 n. The description of the programs and instruction offered in the institution's catalog did
not include the required final tests or examinations; any required internships or externships; the

1 total number of credit hours, clock hours or other increments required for completion; as required
2 by Code section 94909(a)(5).

3 o. The institution's catalog contains numerous references to a law school and the
4 qualifications of the institution's graduates to sit for the California Bar examination, however
5 Respondent's application does not include a Juris Doctor program. Respondent was unable to
6 document compliance with Code section 94909(a)(6).

7 p. The institution's catalog did not contain the required statement specifying whether the
8 institution, or any of its degree programs, are accredited by an accrediting agency recognized by
9 the United States Department of Education and did not include the following disclosures, as
10 required by Code sections 94909(a)(16) and 94897(p):

11 i) Whether a graduate of the degree program will be eligible to sit for the applicable
12 licensure exam in California and other states.

13 ii) A degree program that is unaccredited or a degree from an unaccredited institution
14 is not recognized for some employment positions, including, but not limited to, positions
15 with the State of California.

16 iii) That a student enrolled in an unaccredited institution is not eligible for federal
17 financial aid programs.

18 q. Some of the fees listed on page 19 of the institution's catalog are different from the
19 fees listed in the enrollment agreement. In addition, the "Explanation of Fees" on pages 22 and
20 23 of the catalog contain fees that are not listed on the schedule of charges on page 19 of the
21 catalog or in the itemized list of fees and charges in the enrollment agreement. Therefore, the
22 catalog does not accurately set forth the schedule of total charges for a period of attendance and
23 an estimated schedule of total charges for the entire educational program, as required by Code
24 section 94909(a)(9).

25 r. The institution's catalog did not contain the specific required language concerning the
26 Student Tuition Recovery Fund, as required by title 5, CCR, section 76215(a) and (b).

27 s. The refund policy included in the catalog does not include an explanation that the
28 student has the right to cancel the enrollment agreement and obtain a refund of charges paid

1 through attendance at the first class session, or the seventh day after enrollment, whichever is
2 later, as required by Code sections 94909(a)(8)(B) and 94920(b).

3 t. The refund policy included in the catalog does not include a statement reporting
4 whether the institution participates in federal and state financial aid programs, as required by
5 Code section 94909(a)(10).

6 u. The institution's catalog did not contain a statement specifying that, if a student
7 obtains a loan to pay for an educational program, the student will have the responsibility to repay
8 the full amount of the loan plus interest, less the amount of any refund, and that, if the student has
9 received federal student financial aid funds, the student is entitled to a refund of the moneys not
10 paid from federal student financial aid program funds, as required by Code section 94909(a)(11).

11 v. The institution's policies regarding payment plans and employer-sponsored financing
12 as set forth in the catalog did not contain any specific details, including the disclosures required
13 by title 5, CCR, section 71810(b)(6).

14 x. The institution's catalog states that students on academic probation will be monitored
15 by the "Dean of Law Studies," however, the application submitted does not include this position
16 and the Bureau has not received a response to its request for clarification. The institution was
17 unable to document compliance with Code section 94909(a)(8)(C) and title 5, CCR, section
18 71140(b).

19 y. The institution's policies on student rights, including the procedure for addressing
20 student grievances state that grievances will be brought before the "Law School Grade Review
21 Committee" for review, which conflicts with Respondent's application for approval to offer
22 educational programs in Business Administration. The institution was unable to document
23 compliance with title 5, CCR, section 71810(b)(14).

24 z. The institution's catalog did not contain any descriptions of student services as
25 required by title 5, CCR, section 71810(b)(12).

26 aa. The institution's catalog did not contain any description of the nature or extent of
27 placement services provided by the institution, as required by Code section 94909(a)(13).
28

1 bb. The institution's catalog did not contain any of the following housing information, as
2 required by title 5, CCR, section 71810(b)(13)(A), (B) and (C):

3 i) Whether the institution has dormitory facilities under its control;

4 ii) The availability of housing located reasonably near the institution's facilities
5 and an estimation of the approximate cost or range of cost of the housing; and,

6 iii) If the institution has no responsibility to find or assist a student in finding
7 housing, a clear and conspicuous statement so indicating. A statement that the program is
8 "non-residential" does not satisfy this subparagraph.

9 cc. The policy on retention of student records in the institution's catalog did not contain a
10 detailed description of what records will be kept and how long they will be stored, as required by
11 Code section 94900 and title 5, CCR, section 71810(b)(15).

12 **FOURTEENTH CAUSE FOR DENIAL OF APPLICATION**

13 **(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards**

14 **- Failure to Submit School Performance Fact Sheet)**

15 66. Respondent's application is subject to denial under Education Code sections 94887,
16 94910 and title 5, CCR, section 74112 for failing to submit a School Performance Fact Sheet.

17 **FIFTEENTH CAUSE FOR DENIAL OF APPLICATION**

18 **(Failure to Demonstrate Capacity to Satisfy Minimum Operating Standards**

19 **- Recordkeeping)**

20 67. Respondent's application is subject to denial under Education Code sections 94887,
21 94900, 94900.5 and title 5, CCR, sections 71100 and 71310 for failing to sufficiently describe
22 how the institution's records are, or will be, organized and maintained, the types of documents
23 contained in student files, how the records are stored, whether academic and financial records are
24 maintained in separate files and the institution's procedures for security and safekeeping of
25 records.

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1 **FIFTEENTH CAUSE FOR DENIAL OF APPLICATION**

2 **(Inadequate Self-Monitoring Procedures)**

3 68. Respondent's application is subject to denial under Education Code section 94887
4 and title 5, CCR, sections 71100, 71320 and 71760 in that Respondent did not have adequate self-
5 monitoring procedures to ensure compliance with the regulations of the Bureau.

6 **PRAYER**

7 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
8 and that following the hearing, the Director of the Department of Consumer Affairs issue a
9 decision:

- 10 1. Denying the application of Western Cambridge University for an Approval to
11 Operate an Institution Non-Accredited; and,
12 2. Taking such other and further action as deemed necessary and proper.

13
14 DATED: 8/16/14


15 JOANNE WENZEL

16 Chief

17 Bureau for Private Postsecondary Education

18 Department of Consumer Affairs

19 State of California

20 Complainant

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