Compliance Workshop

WELCOME! The compliance workshop will begin at 9:00 a.m.

Compliance Workshop

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HOW TO MAINTAIN COMPLIANCE



Introduction

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- Workshop presenters
- Breaks
- Questions
- Attachments
- Laws and regulations citations

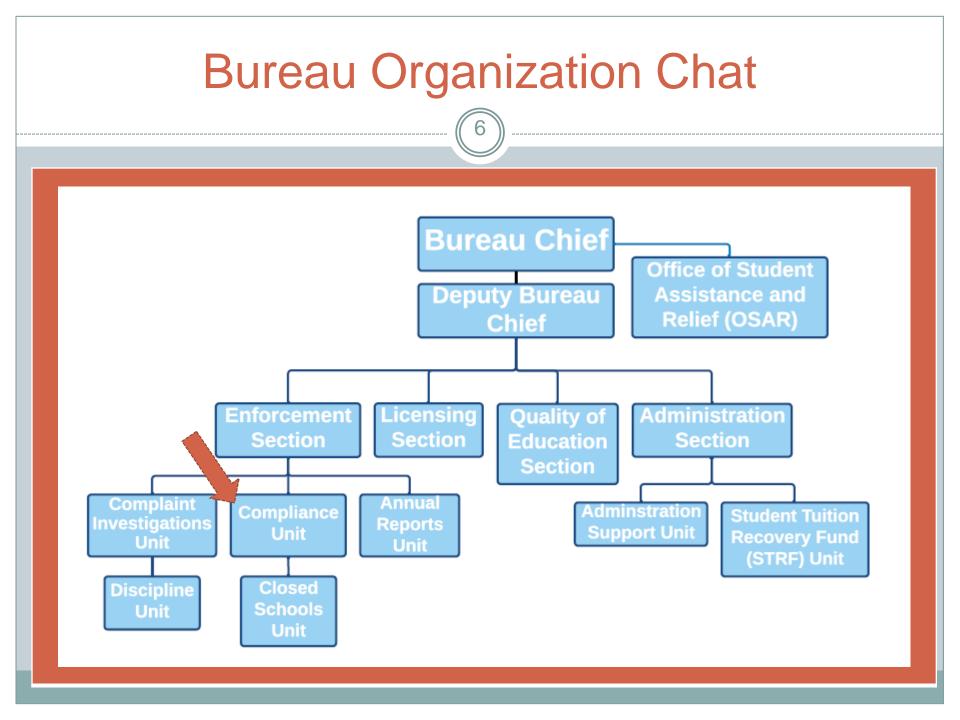
Training Objectives

At the end of this workshop, participants will...

- Understand how to remain in compliance with Bureau laws and regulations
- Understand recordkeeping requirements relating to students and faculty
- Understand how to meet the Bureau's data tracking requirements
- Understand how to prepare for a compliance inspection

Bureau Mission Statement

"The Bureau protects students and consumers through the oversight of California's private postsecondary educational institutions by conducting qualitative reviews of educational programs and operating standards, proactively combating unlicensed activity, impartially resolving student and consumer complaints, and conducting outreach."



Statute vs. Regulation

- Laws originate in the legislature
 - California Private Postsecondary Educational Act of 2009
 - State laws can be repealed or amended
- Regulations originate in administrative agencies and departments
 - Title 5. California Code of Regulations, Division 7.5 Private Postsecondary Education
 - Regulations provide clarity to statutes, though are enforceable the same as statutes

Key Terms

- The following words are key to reading and understanding a statute or regulation:
 - o "And" means all elements of a series are required
 - o "Or" means that only one of the elements is required
 - o "Shall" means you must do something
 - o "May" means that you can do something, but it is not required
 - o "Whether" gives you a choice between alternatives
 - "<u>If</u>" sets a conditional requirement when the conditional element applies
 - o "<u>Each</u>" means every
 - "<u>All</u>" means being or representing the entire or total number, amount, or quantity

Minimum Operating Standards

The Bureau has adopted standards for institutions ensuring that all the following occur:



Minimum Operating Standards

1. Each Program Must Achieve Its Stated Objective

1. Achieving Objectives

Curriculum and Objectives

- Institutions should make sure that necessary curriculum content is available
 - Example: If an institution proposes a vocational nursing program, the institution must meet curriculum requirements of the Board of Vocational Nurses and Psychiatric Technicians (BVNPT)
- Topics covered should clearly connect to what a student is supposed to know and/or do as a result of taking the program
- Questions about curriculum should be referred to the Bureau's Licensing or Quality of Education Unit



1. Achieving Objectives

Distance Education

- Educational programs delivered through distance education must be appropriate for distance education delivery
- An educational program requiring a large percentage of hands-on competencies would not likely be delivered through distance education

Minimum Operating Standards

2. Admission Standards Must Be Maintained for each Program and the Standards are Related to that Program

2. Admission Standards

- Institution shall establish specific written standards for student admissions for each educational program:
 - These standards shall be related to the educational program
 - Institution shall not admit any student who is obviously unqualified or who does not appear to have a reasonable prospect of completing the program



2. Admission Standards

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 Additionally, the institution must maintain admission standards that specify that:

- For graduate programs, each student has a bachelor's degree or equivalent
- If the institution accepts credit from another institution, the maximum credit that will transfer
- If credit for prior experiential learning will be granted



Minimum Operating Standards

3. Facilities, Instructional Equipment, And Materials Must Be Sufficient To Enable Students To Achieve Program Goals

3. Facilities, Instructional Equipment, And Materials

- Students must have adequate access to equipment
- All equipment must be in working order
- The lab and classroom areas must have enough space for the number of students enrolled in each class
- Equipment and materials need to be what is current in the industry



3. Facilities, Instructional Equipment, And Materials

 The institution must make sure that the equipment and materials are not obsolete and are sufficient for instructional purposes

• This equipment could include:

- current textbooks
- o online text resources
- o tool kits
- o mannequins
- o desk

5 CCR § 71735

- o computers
- o hardware/software

3. Facilities, Instructional Equipment, And Materials

- The institution is required to provide to students a library and other learning resources to support each education program it offers
- Resources could include:
 - Reference works
 - Periodicals
 - Monographs
 - o Media
 - Equipment



Minimum Operating Standards

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4. Withdrawal Policies Must Be Maintained And Refunds Must Be Provided

- A student who withdraws or cancels their enrollment may be entitled to a refund
- A student has a right to cancel by the <u>1st class</u>
 <u>session</u>, or the <u>7th day after enrollment</u>, whichever is later
 - A student who cancels within the right to cancel period is entitled to a refund of all charges, less the amount of a reasonable deposit or application fee not to exceed \$250
 - Note: A refund of all charges would include any used or opened equipment, textbooks, or materials.

- After the cancellation period, students shall have the right to withdraw
 - Student are entitled to a pro-rata refund of services paid for, but not received, up to and including 60% of the period of attendance







What is the Period of Attendance?

- A pro rata refund is issued if a student completes 60% or less of the period of attendance
- "Period of attendance" means:
 - a semester, quarter, or trimester for educational programs measured in credit hours, or
 - the entire educational program if measured in clock hours

Cancellation Period Activity

Kelly signs an enrollment agreement to enroll in a program on January 5, 2023. Classes start on January 9, 2023. She attends the first two classes and decides she is no longer interested in the program. Kelly submits her notice of cancellation January 11, 2023.



Is Kelly due a refund? If so, what kind of refund?

Kelly is entitled to a full refund, less any non-refundable charges for a reasonable deposit or application fee since she cancelled her enrollment agreement within seven (7) days after enrollment.

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- Pro-Rata Refund Calculation steps
 - 1) Determine **daily/hourly charge** for the program
 - Total Institutional Charge for whole program ÷ number of days or hours in the program
 - 2) Identify numbers of **days/hours attended**, or was scheduled to attend, prior to withdrawal
 - 3) Multiply daily/hourly charge by days/hours attended to determine **amount owed to the institution**
 - 4) Identify total amount student paid

CEC § 94919, § 94920, CCR § 71750

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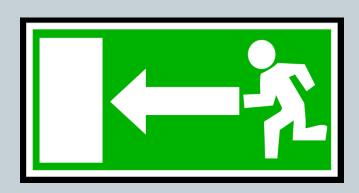
5) Identify non-refundable fees

- Note: Non-refundable fees must be clearly identified in the enrollment agreement that the student signed
- 6) Calculate the amount that the student has paid subject to refund from what the student paid
 - Subtract the non-refundable fees from the amount student paid
- 7) Calculate **refund due** to the student
 - Refundable Amount Amount Owed to the Institution
 = Refund Due

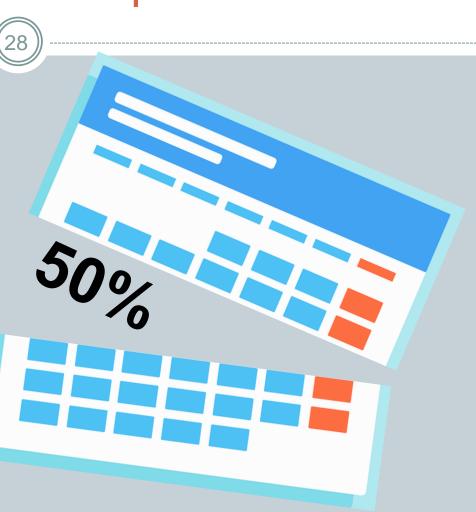
Refund Example

Student pays Total Charges for tuition, registration, STRF fee, and books. (\$5,500)

Refund Example



Student withdraws after completing 25 of 50 total days, or 50% of the period of attendance.



Refund Example

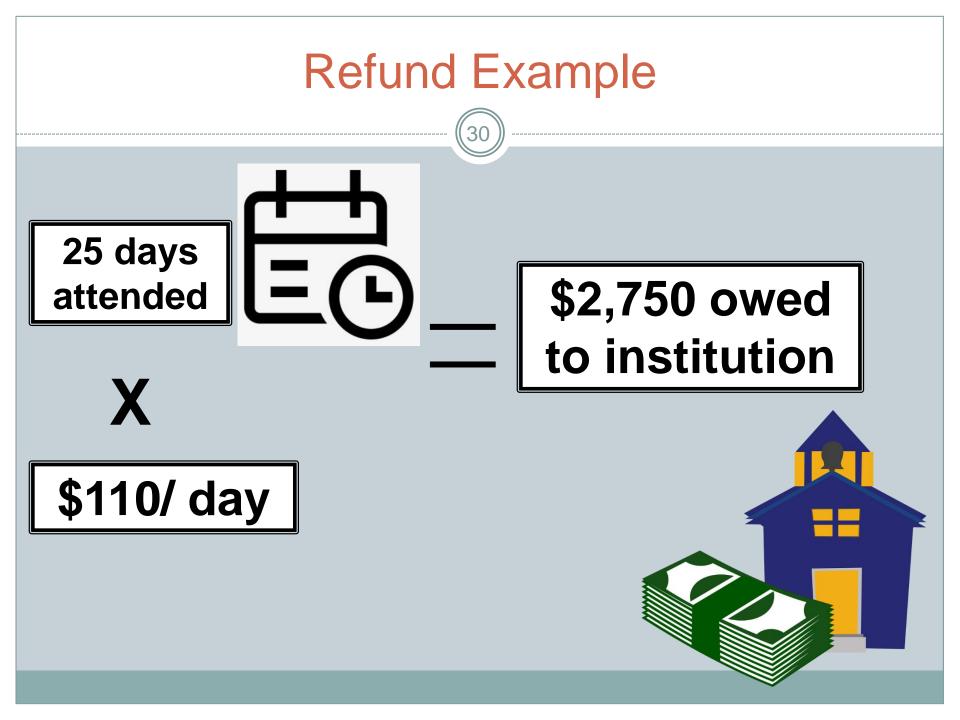
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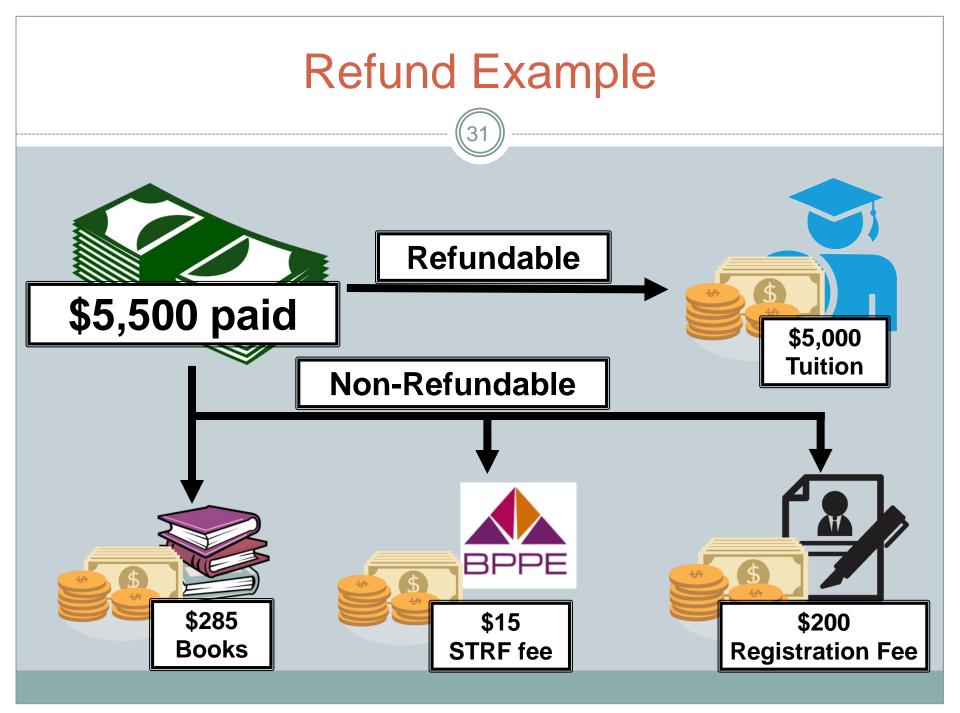
\$5,500

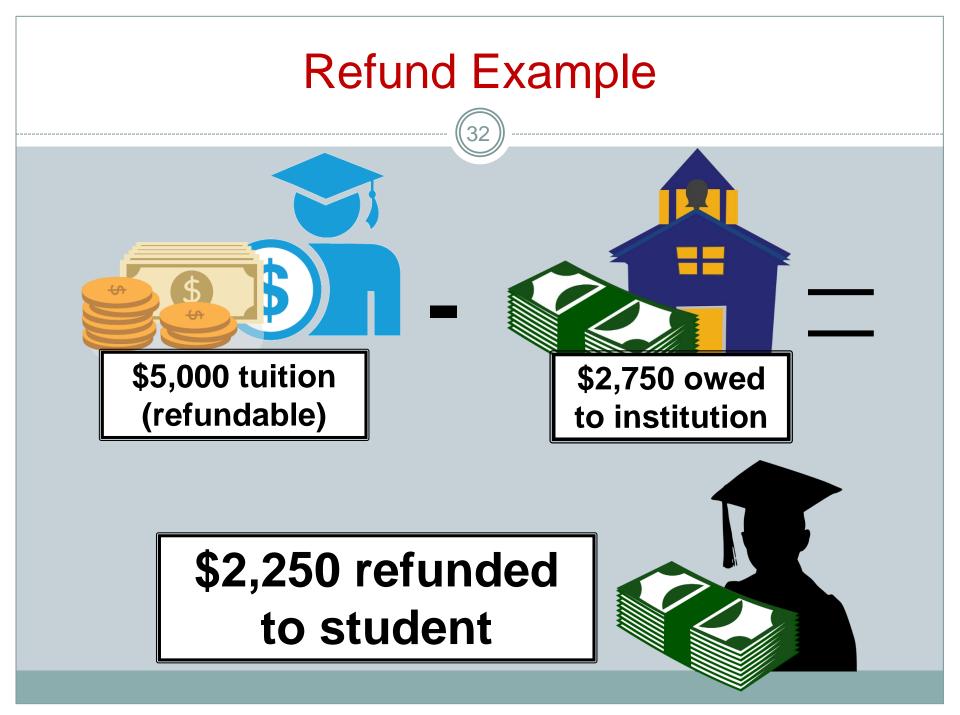
50 days

Divide the total charges by the number of days in the program.

\$110/ day









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Refer to worksheet titled "**Pro-Rata Refund Practice**" for a practice activity

	Pro-Rata Refund Practice							
Semario: The school charges the student \$5.000 for the program. [Total Charges]. This includes: \$5.0000 Tailing (relandable) 10000 Registration for (gggs-relondable) 20000 Tiffe (religgs-relondable) 20000 Tiffe (religgs-relondable) 20000 Tiffe (religgs-relondable) 20000 Total (Sing relondable) 200000 Total (Sing relondable) 2000000 Total (Sing relondable) 20000000 Total (Sing relondable) 200000000 Total (Sing relondable) 2000000000 Total (Sing relondable) 2000000000000000000000000000000000000	(34)							
	Development Development							

Pro-rata Refund Practice

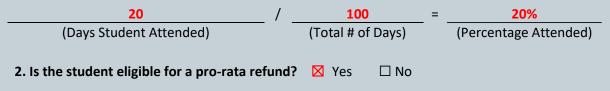
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Scenario: The school charges the student \$5,000 for the program (Total Charges). This includes:

\$5,000.00	Total Charges
+ 387.50	Books (<u>non</u> -refundable)
12.50	STRF fee (<u>non</u> -refundable)
100.00	Registration fee (non-refundable)
\$4,500.00	Tuition (refundable)

The student pays **\$2,000** up front (Total Student Paid). The student withdraws after completing **20** out of **100** days in the period of attendance.

1. What percentage of the period of attendance did the student attend?



3. Divide the Total Charges by the total number of days in the period of attendance.

\$5,000.00	/	100	=	\$50.00
(Total Charges)		(Total # of days)		(Charge per day)

Pro-rata Refund Practice



4. Multiply the number of days the student attended by the charge per day to determine the amount the student owes to the school.

20	x	\$50.00	_ = _	\$1,000
(#of Days Attended)		(Charge Per Day)		(Amount Owed to School)

5. Determine what is refundable of the amount the student paid.

- \$ 2,000.00 Total Student Paid
 - **100.00** Registration Fee (Non-Refundable)
 - **12.50** STRF fee (Non-Refundable)
- 387.50 Books (Non-Refundable)
- \$ 1,500.00 Refundable Amount

6. Calculate the amount refunded to the student.

- \$ **1,500.00** Refundable Amount
 - 1,000.00 Amount Owed to the School

500.00 Refund to the Student

\$



Refunds for Institutions Participating in Title IV Funding

- An institution that participates in the federal student financial aid programs must comply with applicable regulations of the federal student financial aid programs under Title IV of the federal Higher Education Act of 1965
- The institution shall also provide a pro rata refund of nonfederal student financial aid program moneys paid for institutional charges to students who have completed 60 percent or less of the period of attendance.



Minimum Operating Standards

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5. Director, Administrator, And Faculty Must Be Qualified

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Director

5 CCR § 70000 (o), § 71720

The institution director is responsible for:
 Administering the daily operations of the institution
 Supervising all other administrators and instructors



Chief Academic Officer

- The chief academic officer (CAO) is primarily responsible for the administration of an institution's academic affairs including:
 - The supervision of faculty
 - Development of educational programs and curricula
 - Implementation of the institution's mission, purpose and objectives
- Shall possess a degree or equivalent acceptable experience at least equal to the highest qualifications required of the institution's faculty

5 CCR § 70000 (c), § 71730

Faculty

- Faculty providing instruction in a program <u>leading to a degree</u> must have:
 - Degree equivalent to the level of instruction taught
 - Degree from an accredited, BPPE or other state approved institution; or a recognized credential in the field of study
 - Degrees obtained outside the U.S. or Canada must be evaluated by a member of the National Association of Credential Evaluating Services
 - × Diverse educational background



Faculty

- Faculty providing instruction in a program <u>not</u> leading to a degree must have:
 - Minimum of 3 years of experience, education, and training
 - Knowledge of current practices of subject area
 - Continuing education courses in their field of instruction, classroom management, teaching, etc.



Minimum Operating Standards

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6. Institution Must Be Financially Sound

Financial Stability

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

- 1. Able to provide programs it offers
- 2. Ensure that students have a reasonable opportunity to complete the program
- 3. Maintain minimum standards
- 4. Pay timely refunds

5 CCR § 71745 (a)

- 5. Pay all operating expenses due within 30 days
- 6. For non-Title IV institutions, maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the end of the fiscal year

Financial Stability

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- An institution that participates in Title IV funding must meet composite score requirements of the U.S. Department of Education
 - A score greater than or equal to 1.5 is considered financially responsible
 - A score between 1.0 and 1.5 is considered financially responsible, but requires additional oversight
 - A score of less than 1.0 is considered not financially responsible
- These guidelines are derived from the United States Department of Education's website:

https://studentaid.gov/data-center/school/composite-scores

5 CCR § 71745 (a) (6)

Minimum Operating Standards

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7. Students Must Be Given A Degree/Diploma Upon Completion Of The Program

- "Diploma" means a recognized credential, other than a degree, awarded by the institution signifying the completion of a postsecondary program below the associate's level
 - The Bureau considers a "diploma" and a "certificate" to be the same



Accreditation Requirement

- An institution offering a degree program must satisfy one of the following requirements:
 - Accreditation by an accrediting agency recognized by the United States Department of Education
 - The scope of the accreditation must cover at least one of the degree programs offered by the institution
 - An accreditation plan, approved by the Bureau, for the institution to become fully accredited within five years
- Please contact the Bureau's Licensing or Quality of Education Units with questions regarding accreditation

CEC § 94885.5; 5 CCR § 71105.5

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Tips for Getting Accredited

- Institutions need to research to make sure the accreditor:
 - Fits the mission of the institution
 - Will accredit the institution's programs
- The Bureau does not recommend specific accreditors
- A list of common accreditors and types of institutions/programs they accredit can be found on the Bureau's website

Common Issues with Getting Accredited

 Some accreditors require institutions to have a certain number of students enrolled or graduated from the institution's longest program before the institution can apply for accreditation

Challenge

- An institution may begin the accreditation process. One or two years later, the institution discovers that the accreditor will not accredit one or more of the institution's program
- As a result, an institution may not have enough time to seek accreditation with another agency and complete the length of the degree program within the five years the Bureau requires

- An institution that has Bureau Approval By Means of Accreditation (ABMA) must follow the rules of that accrediting agency, however...
- Both ABMA and non-accredited institutions must meet minimum compliance requirements from the Bureau for Private Postsecondary Education
- Tip: When in doubt, go with the stricter rule

Minimum Operating Standards

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8. Records And Transcripts Must Be Maintained And Available To Students

- A student file must be maintained for each student who enrolls, whether or not the student completes the program
- The student file must contain the following:
- 1. Records that are relevant to student's qualifications for admission, including:
 - Documentation of qualifications

CEC § 94900; 5 CCR § 71920

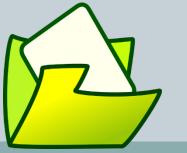
- Bachelor's degree or equivalent (graduate degree program)
- Records of credits earned at other institutions
- Results of examination used for admission or college placement
- Records related to prior experiential learning used for admission

Student file must also contain:

- 2. Student's personal information
- 3. Copies of all documents signed by the student
- 4. Records of dates of enrollment, withdrawal, leave of absence, and graduation
- 5. A complete transcript

CEC § 94900; 5 CCR § 71920

For independent study courses, course outlines or learning contracts



Student file must also contain:

CEC § 94900; 5 CCR § 71920

- 7. Dissertation, thesis, and other student projects (*for graduate students*)
- 8. Documents related to student financial aid
- 9. Document specifying total money received by or on behalf of the student and the dates the money was received



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Student file must also contain:

- 10. Document specifying the amount of a refund, including:
 - Amount refunded for tuition
 - Amount refunded for other itemized charges
 - Method of calculating the refund
 - Date the refund was made

CEC § 94900, 5 CCR § 71920

- Name and address of the person/entity to which the refund was sent
- 11. Copies of official advisory notices or warnings regarding student progress
- 12. Complaints received from student

Maintenance of Records

- Records must be maintained for 5 years
- Institution must permanently retain student transcripts
- Records must be made immediately available by the institution for inspection and copying during normal business hours
- Records must be maintained in a manner secure from damage or loss



CEC § 94900, § 94900.5; 5 CCR § 71920, § 71930

Transcripts must contain:

CEC § 94900; 5 CCR § 71920

- Degree or certificate granted
- Date the degree or certificate was granted
- Courses and units on which the degree or certificate was based, including courses that were attempted but not completed
- Grades earned in each course
- Dates of completion or withdrawal for each course

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Transcripts must also contain:

- Credit awarded for prior experiential learning
- Credit for courses earned at other institutions
- Credit based on examination of academic ability or educational achievement
- Institution's information, including:
 - × Institution name

CEC § 94900; 5 CCR § 71920

- × Institution address
- Institution website address
- Institution phone number

Minimum Operating Standards

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9. Institution Must Comply With All Other Applicable Laws





TIME FOR A QUICK BREAK.

Compliance



Preparing for a Compliance Inspection

Enforcement Authority

In part, "(t)he bureau shall determine an institution's compliance with the requirements of this chapter. The bureau shall have the power to require reports that institutions shall file with the bureau in addition to the annual report, to send staff to an institution's sites, and to require documents and responses from an institution to monitor compliance..."



Compliance Inspections

- What is the difference between inspections and investigations?
 - Inspection- A compliance analyst from the Bureau's <u>Compliance</u> <u>Unit</u> will visit the institution to verify general compliance
 - Inspections are conducted routinely

EC § 94941; § 94932

- Investigation- An investigator from the Bureau's <u>Complaint</u> <u>Investigations Unit</u> will visit the institution to investigate a specific issue or issues
 - Investigations typically are the result of a complaint

Announced and Unannounced Inspections

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"As part of its compliance program, the bureau shall perform announced and unannounced inspections of institutions at least every five years.



Compliance Inspections

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• Announced and Unannounced Inspections

CEC § 94932.5; 5 CCR § 75200

- Announced= An institution has the option to work with a compliance analyst before the day of the inspection to improve compliance and schedule an inspection
- Unannounced= A compliance analyst will arrive at an institution during the institution's scheduled business hours to complete an inspection

The Bureau shall perform at least one announced and one unannounced inspection of each institution **every five years**.

Inspection Prioritization

- The Bureau determines the priority and number of compliance inspections based, in part, on the following factors:
 - Time elapsed since last inspection
 - The institution is the subject of an investigation, judgment, or regulatory action by the Bureau or other government agency
 - The institution is experiencing restrictions imposed by accreditor
 Why me?

Why now?

 Additional factors can be found in CEC § 94941(c) and 5 CCR § 75200

CEC § 94941(c); 5 CCR § 75200

Compliance Areas



Announced Inspections

Announced Inspection

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What to expect in an Announced Inspection:

- Bureau contacts the institution's contact person to notify the institution of an upcoming inspection
 - Note: Be sure to notify the Bureau of any change to the institution's contact information!
- Bureau requests documentation from the institution
 - Compliance analyst asks that the institution provide documents within 14 days of the request
 - Submitted documents are reviewed to identify violations before the inspection

Announced Inspection

- Bureau will request the following documents prior to the announced inspection:
 - **General Information Form** to update institution, contact person, and custodian of records information, if necessary
 - Student Tuition Recovery Fund supporting data
 - Catalog and Catalog Checklist
 - Enrollment Agreement and Enrollment Agreement Checklist
 - School Performance Fact Sheets supporting data



Student Tuition Recovery Fund (STRF)

A compliance analyst will request the supporting data for the STRF Assessment Reporting Form

- The fund exists to aid California students who:
 - Suffered economic loss as a result of an institution closure
 - Are due a refund from an institution but have not received the refund
 - Other specialized scenarios
- The Bureau currently requires that institutions collect \$0.00 for every \$1,000 the institution charges from students for STRF
- For questions about the STRF fee, please contact: BPPE.STRFAssmntFee@dca.ca.gov

5 CCR § 76020; § 76120; § 76140 (b)

Student Tuition Recovery Fund (STRF)

Student Tuition Recovery Fund Supporting Data

- A compliance analyst will review the supporting data to verify that all required data is included
- The supporting data must be kept in an electronic format that is readily available for inspection
- Compliance analyst will compare the supporting data with the corresponding STRF Assessment Reporting Form for accuracy



Student Tuition Recovery Fund (STRF)

Student Tuition Recovery Fund Supporting Data

STRF supporting data must include:

- □ Student identification number
- □ First and last names
- Email address
- Local or mailing address
- Address at the time of enrollment
- Home address

5 CCR § 76140 (a)

- Date enrollment agreement signed
- Courses and course costs

- Amount of STRF assessment collected
- Quarter in which the STRF assessment was remitted to the Bureau
- Third-party payer identifying information,
- Total institutional charges charged
- Total institutional charges paid

Student Tuition Recovery Fund (STRF)

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STRF Supporting Data example:

	А	В	С	D	E	F	G	н
1	Student Identification Number	First Name	Last Name	Email Address	Local or Mailing Address	Address at the Time of Enrollment	Home Address	Date enrollment agreement signed
2	10001	Jane	Doe	jane.doe@fakeemail.com	101 Main St, Cityville, CA 90112	Same	Same	6/30/2023
3	10002	Jack	Doe	jack.doe@fakeemail.com	102 Main St, Cityville, CA 90112	345 General Blvd, Townsville, CA 90113	678 Front Ave, Metroville, CA 90114	7/1/2023
4	10003	Jill	Doe	jill.doe@fakeemail.com	103 Main St, Cityville, CA 90112	Same	Same	7/2/2023
5	10004	Jennifer	Doe	jennifer.doe@fakeemail.com	104 Main St, Cityville, CA 90112	Same	Same	7/3/2023
6	10005	Jonathan	Doe	jonathan.doe@fakeemail.com	105 Main St, Cityville, CA 90112	Same	Same	7/4/2023
7	10006	Jerry	Doe	jerry.doe@fakeemail.com	106 Main St, Cityville, CA 90112	Same	Same	7/5/2023
8	10007	Joseph	Doe	joseph.doe@fakeemail.com	107 Main St, Cityville, CA 90112	Same	Same	7/6/2023
9	10008	Jayden	Doe	jayden.doe@fakeemail.com	108 Main St, Cityville, CA 90112	Same	Same	7/7/2023
10	10009	Jessica	Doe	jessica.doe@fakeemail.com	109 Main St, Cityville, CA 90112	Same	Same	7/8/2023

1	J	K	L	M	N	0
Course	Course Costs	Amount of STRF assessment collected	Quarter in which the STRF assessment was remitted to the Bureau	Third-party identifying information	Total Institutional Charges Charged	Total Institutional Charges Paid
Pharmacy Tech	\$12,000.00	\$37.50	Q2 2023	WIOA	\$14,500.00	\$14,500.00
Medical Billing	\$6,000.00	\$17.50	Q3 2023	VA	\$6,700.00	\$6,700.00
Medical Assistant	\$8,000.00	\$22.50	Q3 2023	WIÓA	\$9,100.00	\$9,100.00
Pharmacy Tech	\$12,000.00	\$37.50	Q3 2023	-	\$14,500.00	\$3,000.00
Medical Billing	\$6,000.00	\$17.50	Q3 2023	VA	\$6,700.00	\$6,700.00
Medical Billing	\$6,000.00	\$17.50	Q3 2023	-	\$6,700.00	\$300.00
Medical Assistant	\$8,000.00	\$22.50	Q3 2023	-	\$9,100.00	\$4,000.00
Medical Billing	\$6,000.00	\$17.50	Q3 2023	DOR	\$6,700.00	\$6,700.00
Pharmacy Tech	\$12,000.00	\$37.50	Q3 2023	WorkSource	\$14,500.00	\$14,500.00

Enrollment Agreement

Enrollment Agreement

CEC § 94911; 5 CCR § 71800

- A compliance analyst will review the enrollment agreement and identify any violations
- Tip: An institution can use the Enrollment Agreement checklist before the inspection to identify and resolve any violations!





Catalog

CEC § 94909; 5 CCR § 71810

- A compliance analyst will review the catalog and identify any violations
- Tip: An institution can use the Catalog checklist before the inspection to identify and resolve any violations!



School Performance Fact Sheets supporting data

- Compliance analyst will request the supporting data for the Performance Fact Sheets from the last reporting period
- Include data for students who began the program and were scheduled to graduate in the reported year
- Compliance analyst will review the supporting data to verify that all required data is included
- Institutions must maintain the supporting data electronically

5 CCR § 74112 (e) (2), (m)

School Performance Fact Sheets supporting data

• Performance Fact Sheet supporting data must include:

- List of job classifications determined to be considered gainful employment for the educational program
- Student name
- Address
- Phone number
- Email address
- Program name

5 CCR § 74112 (m)

Program start date

- □ Scheduled completion date
- □ Actual completion date
- Graduate's position
- Graduate's place of employment
- Date employment began
- Date employment ended (if applicable)
- Actual salary
- Hours per week
- Date employment was verified

School Performance Fact Sheets supporting data

- Performance Fact Sheet supporting data must include:
- Employer(s) Name
- Employer Address
- Employer Phone Number
- Employer Contact Person
- Employer Contact Phone Number
- Employer Contact Email Address
- □ All written communication verifying employment or salary
- All documentation necessary to demonstrate self-employment
- Description of all attempts to contact each student or employer, dates, notes, letters, etc.



School Performance Fact Sheets supporting data

Performance Fact Sheet supporting data must include:

- Documentation for "Students unavailable for graduation" and "Graduates unavailable for employment" including:
 - Student name
 - □ Type of unavailability
 - Dates of unavailability
 - Documentation of unavailability



School Performance Fact Sheets supporting data

- Performance Fact Sheet supporting data must include:
- Note: "Students unavailable for graduation" and "Graduates unavailable for employment" includes students who:
 - Have passed away
 - Are incarcerated
 - Are called to active military duty
- "Graduates unavailable for employment" also includes:
 - International students who leave the U.S. or don't have a visa to work
 - Graduates who continue postsecondary education



School Performance Fact Sheets supporting data

- Performance Fact Sheet supporting data must include:
- Documentation used to provide data regarding license examination and examination results
- Institution personnel who was primarily responsible for collecting the data, including details about:
 - Name

5 CCR § 74112(m)

- Email address
- Phone number
- Position or title
- Date information was gathered
- □ Copies of notes, letters, and/or emails

where information was requested and gathered



Announced Inspection

• A compliance analyst will also review:

- Institution's complaint and inspection history
- Annual fee submission
- Status with accreditor, if applicable
- Financial stability
- Institution's website
- STRF Assessment Report



Website Review

<u>Website</u>

- A compliance analyst will review the institution's website to verify that the following are <u>clearly and conspicuously</u> posted on the homepage:
 - Institution catalog
 - School Performance Fact Sheet for each program offered by the institution
 - Brochures (if applicable)
 - Link to Bureau's website
 - Most current Annual Report

CEC § 94913; 5 CCR § 74117



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- A compliance analyst sends a "Notice to Students" to the institution's contact person. The Notice to Students:
 - Must be posted at the institution at least 5 business days prior to the inspection date
 - Informs students when the inspection will take place
 - Is provided in each language in which the institution is approved to teach



Announced Inspection 86 • Notice to Students example: Bureau for Private Postsecondary Education P.O. Box 980818, West Sacramento, CA 95798-0818 (888) 370-7589 / www.bppe.ca.gov PRE-INSPECTION NOTICE TO STUDENTS This institution is subject to announced compliance inspections by the Bureau for Private Postsecondary Education. An announced compliance inspection has been scheduled for this institution on: October 10, 2023 at 9:00 a.m. Information regarding the results of the announced inspection can be found at the Bureau's website at

www.bppe.ca.gov/enforcement/inspection_results, after the inspection. Students who have questions or comments can contact the Bureau directly by telephone at 888-370-7589 or via the website at www.bppe.ca.gov.

5 CCR § 75210 (a)

(This notice shall remain posted until the announced inspection is completed.)

(Title 5 Division 7.5 California Code of Regulations Section 75210)

Types of Compliance Inspection - Review



- 1. What is the difference between an inspection and an investigation?
- 2. What are some reasons an institution is selected for an inspection?
- 3. What institution documents does the compliance analyst review before the inspection?

Compliance Areas

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Day of the Inspection: Document Review

Day of the Inspection

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- A compliance analyst arrives at the institution to complete inspection and identifies himself or herself with Bureau identification
- The compliance analyst asks to speak with the institution's contact person, owner, or person designated by the owner
- The compliance analyst reviews the following documents with the institution representative:
 - Announcement Letter
 Inspection Checklist

Day of the Inspection

- The compliance analyst will need the following:
 - A private room with accessible electrical outlets and sufficient desk space
 - Owner or individual authorized by the owner with knowledge of daily operations
 - **Time with students** to conduct a student survey without institution staff present to ensure confidentiality of responses
 - Access to a copy machine



Site Tour

- The compliance analyst will request a tour of the institution
- The compliance analyst will verify the following:
 - Students have adequate access to equipment
 - All equipment is in working order

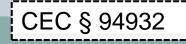
5 CCR § 71735, § 71740

- The lab and classroom areas have enough space for the number of students enrolled in each class
- Equipment and materials are what is current in the industry
- The library and other learning resources support the educational programs offered

Compliance Checklist

 The compliance analyst requests the following items, in addition to the documents already requested:

- × Chief academic officer's (CAO) File
- × Instructor files
- Current student files
- Graduated student files
- Withdrawn or cancelled student files
- Advertising materials
- Self-monitoring procedures



Advertising Review

Advertising

- The compliance analyst will request copies of the institution's current advertising, including, but not limited to:
 - o Flyers

5 CCR § 74140

- Brochures
- Newspaper
- Other print advertisements
- Scripts and audio and video recordings of broadcast advertisements
- Internet content
- Scripts for telephone solicitations
- Institutions are required to retain copies of advertising for a minimum of five (5) years

Advertising Review

Advertising (continued)

- The compliance analyst will review advertising documents to verify accuracy in the following types of statements:
 - Approval by the Bureau
 - The institution must clarify that approval means compliance with state standards
 - Availability, degree of skill, or length of time required to learn a trade or skill
 - If classes are delivered by means of distance education
 - Accreditation details

CEC § 94897 (I); 5 CCR § 74140

Self-Monitoring Procedures

Self-Monitoring Procedures

- The compliance analyst will review the institution's selfmonitoring procedures
- The institution must develop and maintain procedures to assure it is maintained and operated in compliance with state statutes and regulations
 - o Procedures may include:
 - Designating one or more persons to oversee compliance procedures
 - × Conducting staff training on the Act and Regulations
 - Receiving notifications of Bureau updates
 - Attending Bureau workshops

5 CCR § 71760

Student Survey

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Student Survey

- The compliance analyst will send the students an electronic survey
- This survey is anonymous and confidential
- Surveys are a valuable tool for the Bureau to hear directly from students

Review #2



- 1. Who can represent the institution during an inspection?
- 2. Which documents will the compliance analyst review during the inspection?

Compliance Areas

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Day of the Inspection: Record Review



Faculty Files

CEC § 94885 (a) (5); 5 CCR § 71720

- The compliance analyst will request access to current instructor files
- The compliance analyst will select at least three (3) faculty files at random to review
- The compliance analyst will also review the file for the chief academic officer (CAO)
- The compliance analyst will verify that faculty and the CAO meet minimum qualification requirements





Student Files

- The compliance analyst will request access to student files for current, graduated, and withdrawn/cancelled students
- The compliance analyst will select at least three (3) student files for each student type at random to review
- The compliance analyst will verify that these files contain the minimum required documents for each student type



File Review

• The institution will provide access to student files, including:

- Documentation of qualifications for admission
- Bachelor or Master's Degree
 (graduate programs only)
- **Enrollment agreement**, signed
- Records showing date of enrollment and, if applicable, leave of absence
- Student's name, address, email address, and phone number
- □ STRF collected from first payment
- □ SPFS, initialed, signed, and dated

5 CCR § 71770, 71920

Records or transcript from other institutions for admission or transfer of credits

- All documents signed by student
- Advisory notices or warnings
- Documents showing money received from or on behalf of student
- Transcript (graduated and withdrawn/dropped students only)
- Additional admission documents

Withdrawn/Cancelled Students

Withdrawn/Cancelled Student Files

- In addition to the documents previously listed, files for withdrawn or cancelled students should also include:
 - Detailed refund calculation
 - Proof of completed refund
- The institution is required to provide a cancellation and withdrawal log, kept current on a monthly basis, including:
 - o Names
 - Addresses

5 CCR § 71920, 71750 (f)

Telephone numbers

Dates of cancellations or withdrawal

Refunds

- The compliance analyst will verify that:
 - The institution's refund policy meets minimum policy requirements
 - Documentation related to a student's refund meets minimum <u>recordkeeping</u> requirements.
 - Refunds were completed correctly, according to the minimum policy requirement



CEC § 94919, § 94920, CCR § 71920, § 71750

Compliance Areas

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Day of the Inspection: Wrap Up

Inspection Results

Final Review

CEC § 94935; CCR § 75210

- The compliance analyst will ask to speak with institution staff that was involved with the inspection to review results and concerns
- The compliance analyst will post "Notice to Students" signs around the institution once the inspection is complete
 - The notice must remain posted for at least 90 days



Inspection Results

Notice to Students

- A "Post-Inspection Notice to Students" informs students of the inspection and how to access the Bureau's website to review the inspection results
- The Notice to Students must be available to all students
 - The institution must deliver the notice to students in the same way the students generally receive information from their institution
 - The notice must be provided in each language in which the institution is approved to teach

CEC § 94932.5(b); CCR § 75210

Inspection Results **Post-Inspection Notice to Students example:** Bureau for Private Postsecondary Education P.O. Box 980818, West Sacramento, CA 95798-0818 (888) 370-7589 / www.bppe.ca.gov POST INSPECTION NOTICE TO STUDENTS This institution is subject to regular compliance inspections by the Bureau for Private Postsecondary Education. Information regarding the dates of inspections conducted and the results of those inspections can be found at the Bureau's website at www.bppe.ca.gov/enforcement/inspection results. This institution was last inspected on November 15, 2023 Students who have questions or comments can contact the Bureau directly by telephone at 888-370-7589 or via the website at www.bppe.ca.gov. (This notice shall remain posted for at least 90 days from the date listed above)

Inspection Results

Possible Inspection Results

CEC § 94935; CCR § 75010

- If the compliance analyst observed minor violations the compliance analyst will issue a Notice to Comply (NTC)
- If the compliance analyst observed material violations, the compliance analyst will refer the details of the violations to the Enforcement Unit (Enforcement Referral)
 - The compliance analyst will discuss the material violations with the institution
- If the compliance analyst did not observe any violations, the inspection is complete

After the Inspection

Notice to Comply

- A Notice to Comply (NTC) is issued if the compliance analyst identifies minor violations
- The NTC is posted to the Bureau's website
- The compliance analyst will provide the NTC to one of the following Institution representatives:
 - Owner

CEC § 94935; CCR § 75010

- Chief Academic Officer (CAO)
- Person delegated by the owner or CAO

After the Inspection

Notice to Comply

CEC § 94935; CCR § 75010

- The institution has 30 calendar days to respond to the NTC
 - If the institution corrects the violations, the institution can send the Bureau documentation to clear the NTC
 - × A cleared NTC will show as cleared on the Bureau's website
 - If the institution disagrees with any violation on NTC, the institution can file a Notice of Disagreement (NOD) for that violation
 - If the institution fails to respond on time or make corrections of all violations, the institution may be subject to enforcement action
 - The institution will be working with the Bureau's NTC Analyst

Notice to Comply Example



BISINESS, CONSIMER SERVICES AND HOUSING AGENCY + GAVIN NEWSOM, COVENHOR DEPARTMENT OF CONSUMER AFFAIRS - BUREAU FOR PRIVATE POSTSECONDARY EDUCATION 1747 N. Market Blvd., Suite 225, Sacramento, CA 95834 P (916) 574-8900 | Toll-Free (888) 370-7589 | www.bppe.ca.gov

NOTICE TO COMPLY CU-12345678-062023

Institution Name:	Example University	Institution Telephone:	(555) 555-5555
Institution Code:	12345678	Administrator Name:	John Doe
Street Address:	123 Main St., Townsville, CA 90112	Inspection Date:	6/15/2023

The Bureau for Private Postsecondary Education (Bureau) issues this Notice to Comply pursuant to California Education Code (CEC) section 94935 and Title 5 of the California Code of Regulations (5 CCR) section 75010.

California Private Postsecondary Education Act: <u>https://www.bppe.ca.gov/lawsregs/ppe_act.pdf</u> Title 5 of the California Code of Regulations: <u>https://www.bppe.ca.gov/lawsregs/regs.pdf</u>

Violation	Code Section Violated	Description of the violation and required correction.
1	CEC §94897(I)	Violation Description: On the school's website, the school states that it is approved by the Bureau but does not state clearly that approval to operate means compliance with state standards.
		Correction: Add to the website the required disclosure statement, as required by CEC §94897(I). Provide a screenshot or link to the school website that shows compliance with §94897(I).
2	5, CCR §71800(e)	Violation Description: The school enrollment agreement does not include an itemization of all institutional charges and fees.
		Correction: Add to the enrollment agreement an itemization of all institutional charges and fees. Provide a copy of the enrollment agreement that shows compliance with 5, CCR §71800(e).

Pursuant to 5 CCR section 75010(d), the Institution may do either of the following:

Page 1 of 3

(1) Within 30 days from the date of the inspection, sign and return the notice to comply, declaring under penalty of perjury that the violation was corrected and describing how compliance was <u>achieved</u>; or

(2) Within 30 days from the date of the inspection, file with the Bureau a written notice of disagreement, specifying the minor violations described in the notice to comply with which the person approved to operate the institution disagrees, and appealing it by requesting an informal office conference. If a written notice of disagreement is not timely filed with the Bureau, the right to appeal is deemed to have been waived.

Pursuant to CEC section 94935(h), failure to comply with the notice to comply will result in the Bureau taking appropriate administrative enforcement action.

The Notice to Comply was given to the Institution's owner, person in control, chief academic officer, chief executive officer, chief operating officer, institution director, or any person delegated by any of the aforementioned persons to facilitate the inspection or accept such notice as set forth below.

Notice To Comply Given To Name & Title:	John Doe, Owner
Bureau Compliance Analyst Name:	Joe Compliance Analyst
Bureau Compliance Analyst Signature:	[Compliance Analyst Signature]

REVISED 4-10-2023

Notice to Comply Example

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CU-12345678-062023

Institution Name:	Example University	Institution Telephone:	(555) 555-5555
Institution Code:	12345678	Administrator Name:	John Doe
Street Address:	123 Main St., Townsville, CA 90112	Inspection Date:	6/15/2023

I declare under penalty of perjury that each violation identified in this Notice to Comply has been corrected and attached with this declaration is evidence to support the correction of each violation identified.

Signature

Date

Print Name and Title

REVISED 4-10-2023

Page 3 of 3

After the Inspection

Enforcement Referral

- If the compliance analyst identified material violations during the inspection, they will refer the details of the violations to the Enforcement Unit for further review
- A referral to Enforcement may result in the following resolutions:
 - An investigation is opened to gather additional details about the concern
 - An administrative citation is issued to the institution
 - × The institution has the right to appeal a citation
 - The issue is referred to the Attorney General's office
 - The referral is closed without further action

CEC § 94933; § 94936

Review #3



- 1. What option does the Institution have if they don't agree with a violation listed on the Notice to Comply?
- 2. What happens if the compliance analyst does not identify any outstanding violations by the end of the inspection?

Compliance Areas



Unannounced Inspections

Unannounced Inspection

What to expect in an <u>Unannounced Inspection</u>:

- The Bureau does not contact the institution before the inspection
- A compliance analyst will look for the catalog and School Performance Fact Sheet(s) on the institution's website
 - Note: Be sure to keep the most current information and documents posted on the institution's website!
- Compliance analyst will also review documents from the institution's annual report submission, including:
 - Annual Report
 - Enrollment Agreement



Unannounced Inspection

- It is required that institution staff be available during business hours to assist with completing an unannounced inspection
- It is recommended that an institution publish its business hours



Compliance

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Substantive Changes

- The following changes require prior Bureau approval:
 - A change in educational objectives
 - A change in ownership
 - A change in control
 - A change in business organization form
 - A change of location (change of location 10 miles or more)
 - A change of name
 - A significant change in the method of instructional delivery
 - An addition of a separate branch more than five miles from the main or branch campus

CEC § 94893; § 94894; § 94896

Non-Substantive Changes

- The following changes require Bureau notification only:
 - Change of location of less than 10 miles
 - Addition of a program related to the approved programs offered
 - Addition of a new branch five miles or less from the main or branch campus
 - Addition of a satellite
 - Change of mailing address
- All such notifications shall be made, in writing, within 30 days of the change and sent to the Bureau



Important Reminders

- Annual Fee is due each year on the anniversary of the date of the original approval
- Annual Report and School Performance Fact Sheets (SPFS) are due on December 1st of every year, for the previous year's report
 - Example: Submit 2020 Annual Report and 2019-2020 SPFS by December 1, 2021

STRF Assessment Report

- Reports due no later than the last day of the month following the close of the quarter. These due dates are:
 - 1st Quarter: April 30th
 - 2nd Quarter: July 31st
 - 3rd Quarter: October 31st
 - 4th Quarter: January 31st

CEC § 94897; 5 CCR § 74006, 74110, 74112, 76130

Institution Closure

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Steps to Closing a Location

- Provide 30-day prior notice to the Bureau
- Inform the Bureau of:
 - Last date of instruction
 - Closing date
 - Reason for closure
 - Custodian of records contact information



- Required to provide to the Bureau a list of students who were enrolled at any time during the 60 days prior to closure
 - Note: the Bureau may request a list of students who enrolled at any time during the <u>120</u> days prior to closure
- Provide a plan to notify students of their rights and options
- Complete the School Closure Plan Form
- Institution is responsible for providing refunds to students

Institution Closure

Steps to Closing a Location (cont.)

- If the institution has students with unfinished education plans, the institution must provide to the Bureau:
 - Teach out and/or transfer plan
 - Refund plan
 - Notification to students of:
 - × Student Tuition Recovery Fund (STRF)
 - Office of Student Assistance and Relief (OSAR) contact information
 - × Bureau's contact information
 - Proof of returns/refunds

CEC § 94926; 5 CCR § 76240

- Contact the Bureau's Closed School Unit
 - o Email: <u>BPPE.closedSchools@dca.ca.gov</u>
 - Phone Number: (916) 574-7393

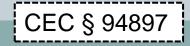
Compliance



Helpful Tips

Prohibited Business Practices

- Institutions must avoid certain practices that could harm the public, including, but not limited to:
 - Using the term "approval" without stating clearly and conspicuously that approval to operate means compliance with state standards as set for in the California Private Postsecondary Education Act of 2009
 - Making a misleading or untrue statement about test scores, grades, attendance record, placement, or financial information
 - Violating Section 1788.93 of the Civil Code



Prohibited Business Practices

CA Civil Code § 1788.93

- Notwithstanding any provision of law, a school shall not do any of the following:
 - (a) Refuse to provide a transcript for a current or former student on the grounds that the student owes a debt.
 - (b) Condition the provision of a transcript on the payment of a debt, other than a fee charged to provide the transcript.
 - (c) Charge a higher fee for obtaining a transcript or provide less favorable treatment of a transcript request because a student owes a debt.
 - o (d) Use transcript issuance as a tool for debt collection.



BPPE Website

Resources Available on the Bureau's Website

- Laws and Regulations
- Inspection Results
- Regulatory updates
- Annual Reports
- Catalog and Enrollment Agreement checklists
- Performance Fact Sheet guide

Bureau Website Address: <u>www.bppe.ca.gov</u>

Compliance



Contact Information

BPPE Contact



Bureau for Private Postsecondary Education Main 916-574-8900 Toll Free (888) 370-7589 Fax 916-263-1897 General E-mail <u>bppe@dca.ca.gov</u>

BPPE Contact

Email Contact Information

- General Email: bppe@dca.ca.gov
- Enforcement: bppe.enforcement@dca.ca.gov
- Licensing: bppe.licensing@dca.ca.gov
- Student Tuition Recovery Fund: strf@dca.ca.gov
- Annual Report: bppe.annualreport@dca.ca.gov
- Annual Fee: bppe.annualfee@dca.ca.gov
- Closed Schools: bppe.closedschools@dca.ca.gov
- STRF Fee: BPPE.STRFAssmntFee@dca.ca.gov

BPPE Contact

Compliance Managers:

Michele Alleger (916) 574-7394 michele.alleger@dca.ca.gov

Jill Wimberly (279) 895-6027 jill.wimberly@dca.ca.gov

Questions and Answers



Please complete our survey.

https://forms.office.com/g/BmCG3HpMjx

BPPE Compliance Workshop Your Feedback Matters!



