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

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

Case Number BPPE24-1018

13 **VISTA IT TRAINING**

STATEMENT OF ISSUES

14 **Application for Renewal of Approval to**
15 **Operate and Offer Educational Programs**
16 **for Non-Accredited Institutions**

16 Institution Code Number 86815186

17 Respondent.

18
19 **PARTIES**

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

23 2. On or about June 1, 2005, the Bureau for Private Postsecondary Education (Bureau)
24 issued a temporary Approval to Operate Institution Code 86815186 to Vista IT Training
25 (Respondent), owned by Brian Yung. On or about August 4, 2006, the Bureau issued a Full
26 Approval to Operate to Respondent. The Approval to Operate expired on January 18, 2022.

27 3. On or about March 8, 2022, the Bureau received from Respondent an Application for
28 Renewal of Approval to Operate and Offer Educational Programs for Non-Accredited Institutions

1 (Renewal Application), dated March 4, 2022. Between April 19, 2022 and June 12, 2024, the
2 Bureau and Respondent exchanged letters detailing the deficiencies in Respondent’s Renewal
3 Application and attempts to cure those deficiencies, respectively. On or about July 19, 2024, the
4 Bureau denied the Renewal Application via a Notice of Denial of Application for Renewal of
5 Approval to Operate (Notice of Denial). On or about September 17, 2024, Respondent submitted
6 to the Bureau a request for administrative hearing.

7 **JURISDICTION**

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

11 5. Section 94817 states:

12 “Approval to operate’ or ‘approval’ means the authorization pursuant to this chapter to
13 offer to the public and to provide postsecondary educational programs, as well as the written
14 document issued to an institution signifying its approval to operate.”

15 6. Section 94817.5 states:

16 “Approved to operate’ or ‘approved’ means that an institution has received authorization
17 pursuant to this chapter to offer to the public and to provide postsecondary educational
18 programs.”

19 7. Section 94885 states, in part:

20 “(a)The bureau shall adopt by regulation minimum operating standards for an institution
21 that shall reasonably ensure that all of the following occur:

22 . . .

23 “(6) The institution is financially sound and capable of fulfilling its commitments to
24 students.

25 . . .

26 ///

27 _____
28 ¹ All statutes and regulations cited are the versions in effect at the time the Bureau issued its
Notice of Denial on July 19, 2024.

1 “(9) The institution is maintained and operated in compliance with this chapter and all other
2 applicable ordinances and laws.

3 ”

4 8. Section 94886 states:

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

9 9. Section 94887 states:

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

15 10. Section 94891 states, in part:

16 “(a) The bureau shall adopt by regulation the process and procedures whereby an institution
17 may obtain a renewal of an approval to operate.

18 “(b) To be granted a renewal of an approval to operate, the institution shall demonstrate its
19 continued capacity to meet the minimum operating standards.

20 “(c)(1) An institution that is denied renewal of an approval to operate may file an appeal in
21 accordance with the procedures established by the bureau pursuant to Section 94888.

22 “(2) An institution that has filed an appeal of a denial of a renewal application may continue
23 to operate during the appeal process, but must disclose in a written statement, approved by the
24 bureau, to all current and prospective students, that the institution’s application for renewal of
25 approval to operate was denied by the bureau because the bureau determined the application did
26 not satisfy the requirements to operate in California, that the institution is appealing the bureau's
27 decision, and that the loss of the appeal may result in the institution’s closure.

28 ”

STATUTORY AND REGULATORY PROVISIONS

11. Section 94909, subdivision (a)(3)(D) states:

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

...

“(3) The following statements:

...

“(D) ‘The Office of Student Assistance and Relief is available to support prospective students, current students, or past students of private postsecondary educational institutions in making informed decisions, understanding their rights, and navigating available services and relief options. The office may be reached by calling (toll-free telephone number) or by visiting (internet website address).’”

12. California Code of Regulations, title 5, section 71475, subdivision states, in part:

...

“(b) An institution seeking to renew its Approval to Operate pursuant to section 94891 of the Code shall, prior to its expiration, complete and submit to the Bureau an application with the requirements of this section.

...

“(e) The institution shall submit at the time it applies for renewal current financial statements that meet the requirements of section 74115 as follows: (1) for an institution with annual gross revenues of \$500,000 and over, statements shall be audited; (2) for an institution with annual gross revenues less than \$500,000, statements shall be reviewed.

...

“(w)(2) The institution shall submit current, audited financial statements at the time it applies for approval to operate. Each set of financial statements shall comply with Section 74115 of this chapter.

...

1 “(kk) An incomplete application filed under this section will render the institution ineligible
2 for renewal.

3”

4 13. California Code of Regulations, title 5, section 74115 states, in part:

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

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

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

14 . . .

15 “(d) “Current” with respect to financial statements means completed no sooner than 120
16 days prior to the time it is submitted to the Bureau, and covering no less than the most recent
17 complete fiscal year. If more than 8 months will have elapsed between the close of the most
18 recent complete fiscal year and the time it is submitted, the fiscal statements shall also cover no
19 less than five months of that current fiscal year.”

20 *PART I – FINANCIAL STATEMENTS*

21 **FACTUAL BACKGROUND**

22 14. Among other things, renewal applications must include a current financial statement
23 reviewed in accordance with generally accepted accounting principles (also known as GAAP).
24 Rather than offering financial statements, Respondent submitted his Renewal Application to the
25 Bureau, on or about March 8, 2022, with a balance sheet and statement of cash flow for the year
26 ending on December 31, 2021. Following review and analysis of the Renewal Application, the
27 Bureau informed Respondent in a letter dated April 19, 2022 that his balance sheet and cash flow
28 statement were insufficient and directed him to submit compliant financial statements.

1 **SECOND CAUSE FOR DENIAL OF APPLICATION**

2 (Current Financial Statements)

3 19. Respondent’s Renewal Application is subject to denial based on his failure to provide
4 current financial statements. (Educ. Code § 94885, subs. (a)(6) and (a)(9), and Cal. Code Regs.,
5 title 5, §§ 71475, subs. (b), (e), (w)(2), and (k)(k) and 74115, subs. (a) and (d)). In particular,
6 as described in paragraphs 14 through 17, above, Respondent failed to submit financial statements
7 that are current, as required by California Code of Regulations, title 5, section 71475, subdivision
8 (e) and in accordance with the definition in California Code of Regulations, title 5, section 74115,
9 subdivision (d). California Code of Regulations, title 5, section 71475, subdivision (e) requires,
10 in part, that the financial statements submitted with a renewal application be “current.” California
11 Code of Regulations, title 5, section 74115, subdivision (d) defines “current” “with respect to
12 financial statements” as

13 completed no sooner than 120 days prior to the time it is submitted to the
14 Bureau, and covering no less than the most recent complete fiscal year. If more
15 than 8 months will have 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.

16 The financial statements Respondent submitted, for the year ending December 31, 2021, are not
17 current because they do not cover the most recent complete fiscal year nor five months of the
18 current fiscal year.

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PRAYER

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

1. Denying the Application for Renewal of Approval to Operate an Institution Non-Accredited submitted for Vista IT Training, owned by Brian Yung; and
2. Taking such other and further action as deemed necessary and proper.

DATED: 2/28/2025

"Original Signature on file"

DEBORAH COCHRANE
Chief
Bureau for Private Postsecondary
Education
Department of Consumer Affairs
State of California
Complainant

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