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

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

14 **CALIFORNIA UNIVERSITY OF**
15 **BUSINESS, SCIENCE & TECHNOLOGY**

16 Application for Approval to Operate an
Institution Non-Accredited

17 Respondent.

Case No. BPPE24-0396

STATEMENT OF ISSUES

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 (Bureau), Department of
22 Consumer Affairs.

23 2. On or about May 28, 2021, the Bureau received an Application for Approval to
24 Operate an Institution Non-Accredited (Application) from California University of Business,
25 Science, and Technology (Respondent), owned by California University of Business, Science,
26 and Technology Inc. Between July 2021 and February 2024, the Bureau and Respondent
27 conferred regarding the Application, including about deficiencies the Bureau identified in the
28 Application and Respondent's transmittal of additional application-related documents and

1 information to cure deficiencies in the Application. On or about April 25, 2024, the Bureau
2 denied Respondent's Application via a Notice of Denial of Application for Approval to Operate.
3 On or about May 2, 2024, Respondent submitted to the Bureau a request for administrative
4 hearing. On or about September 25, 2024, the Bureau received from Respondent additional
5 documents and information to remedy deficiencies in its Application.

6 **JURISDICTION**

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

10 4. Section 94817 states:

11 "Approval to operate' or 'approval' means the authorization pursuant to this chapter to
12 offer to the public and to provide postsecondary educational programs, as well as the written
13 document issued to an institution signifying its approval to operate."

14 5. Section 94817.5 states:

15 "Approved to operate' or 'approved' means that an institution has received authorization
16 pursuant to this chapter to offer to the public and to provide postsecondary educational
17 programs."

18 6. Section 94885, subdivision (a) states, in part:

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

21 "(1) The content of each educational program can achieve its stated objective.

22 "(2) The institution maintains specific written standards for student admissions for each
23 educational program and those standards are related to the particular educational program.

24 "(3) The facilities, instructional equipment, and materials are sufficient to enable students to
25 achieve the educational program's goals.

26 . . .

27 "(7) That, upon satisfactory completion of an educational program, the institution gives
28 students a document signifying the degree or diploma awarded.

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

7. 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.”

8. 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. The bureau may deny an application for an approval to operate institutions that would be owned by, have persons in control of, or employ institution managers that had knowledge of, should have known, or knowingly participated in any conduct that was the cause for revocation or unmitigated discipline at another institution.”

STATUTORY AND REGULATORY PROVISIONS

9. Section 94828 states:

“‘Curriculum’ means an organized set of courses or modules of instruction that are prerequisites to the award of a degree or diploma.”

10. Section 94830 states:

“‘Degree’ means a recognized educational credential awarded by an institution that signifies satisfactory completion of the requirements of a postsecondary educational program at the associate's level or above.”

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1 11. Section 94836 states:

2 “‘Educational materials’ means textbooks, supplies, implements, tools, machinery,
3 computers, electronic devices, or other goods related to any education, training, or experience
4 required for participation in an educational program.”

5 12. Section 94837 states:

6 “‘Educational program’ means a planned sequence composed of a set of related courses or
7 modules, or a single course or module if not offered as a component of a set of related courses or
8 modules, that provides education, training, skills, or experience, or a combination of these, except
9 that ‘educational program’ does not include a single course, workshop, seminar, continuing
10 education course, or other instruction that consists of 32 hours of instruction or less that is not
11 designed to lead to employment.”

12 13. Section 94838 states:

13 “‘Educational program approval’ means authorization by the bureau, another government
14 agency of this state, or a federal government agency, to provide educational programs, and is an
15 element of an approval to operate.”

16 14. Section 94846 states:

17 “‘Instruction’ means an institution's specific, formal arrangements in which its faculty
18 present a part of the curriculum.”

19 15. Section 94869 states:

20 “‘To operate’ means to establish, keep, or maintain any facility or location in this state
21 where, or from which, or through which, postsecondary educational programs are provided, or to
22 enroll California residents in postsecondary educational programs in an institution based outside
23 of the state via distance education.

24 16. Section 94834 states:

25 “‘Distance education’ means transmission of instruction to students at a location separate
26 from the institution.”

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1 17. Section 94887 states:

2 “An approval to operate shall be granted only after an applicant has presented sufficient
3 evidence to the bureau, and the bureau has independently verified the information provided by the
4 applicant through site visits or other methods deemed appropriate by the bureau, that the applicant
5 has the capacity to satisfy the minimum operating standards. The bureau shall deny an application
6 for an approval to operate if the application does not satisfy those standards. The bureau may
7 deny an application for an approval to operate institutions that would be owned by, have persons
8 in control of, or employ institution managers that had knowledge of, should have known, or
9 knowingly participated in any conduct that was the cause for revocation or unmitigated discipline
10 at another institution.”

11 18. Section 94897, subdivisions (j) and (u) state:

12 “An institution shall not do any of the following:

13 . . .

14 “(j) In any manner make an untrue or misleading change in, or untrue or misleading
15 statement related to: a test score, grade or record of grades, attendance record, record indicating
16 student completion, placement, employment, salaries, or financial information; a financial report
17 filed with the bureau; information or records relating to the student’s eligibility for student
18 financial aid at the institution; or any other record or document required by this chapter or by the
19 bureau.

20 . . .

21 “(u) Fail to maintain policies related to compliance with this chapter or adhere to the
22 institution's stated policies.”

23 19. Section 94909, subdivision (a) states, in part:

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

27 “(1) The name, address, telephone number, and, if applicable, internet website address of
28 the institution.

...

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

...

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

“(A) Admissions policies, including the institution's policies regarding the acceptance of credits earned at other institutions or through challenge examinations and achievement tests, and a list describing any transfer or articulation agreements between the institution and any other college or university that provides for the transfer of credits earned in the program of instruction. If the institution has not entered into an articulation or transfer agreement with any other college or university, the institution shall disclose that fact.

...”

20. California Code of Regulations, title 5, section 70000 states, in part:

...

“(c) ‘Chief academic officer’ means the person primarily responsible for the administration of an institution's academic affairs including the supervision of faculty, development of educational programs and curricula, and implementation of the institution's mission, purposes and objectives.

“(d) ‘Chief executive officer’ means the person primarily responsible for the overall administration of an institution, including the supervision of the chief academic officer and the chief operating officer. The chief executive officer is often, but need not be, called the ‘president.’

“(e) ‘Chief operating officer’ means the person primarily responsible for the administration of an institution's business operation, including finances, management, personnel, and contracting for goods, services, or property.

...

1 “(i) ‘Degree program’ means an educational program leading to the award of an academic
2 degree as defined in section 94830 of the Code.

3 . . .

4 “(r) ‘Mission’ means an institution's stated educational reasons to exist. A mission
5 statement contains all of the following characteristics:

6 “(1) The mission includes the institution's broad expectations concerning the education that
7 students will receive, including the acquisition of the body of knowledge presented in the
8 educational program, the development of intellectual, analytical, and critical abilities, and the
9 fostering of values such as a commitment to pursue lifelong learning; and

10 “(2) The mission relates to the educational expectations of the institution's students, faculty
11 and community that the institution serves.

12 “(s) ‘Objectives’ are the goals and methods by which the institution fulfills its mission and
13 transforms it into measurable student learning outcomes for each educational program.

14”

15 21. California Code of Regulations, title 5, section 71110, subdivision (e) states:

16 “An institution shall provide the following information on the Form Application 94886:

17 . . .

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

20 22. California Code of Regulations, title 5, section 71140, subdivision (c) states:

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

24 23. California Code of Regulations, title 5, section 71160 states:

25 “The Form Application 94886 shall contain the name, work address, email address, fax
26 number and telephone number of the person with whom the Bureau will correspond and conduct
27 legal transactions on behalf of the institution.”

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1 24. California Code of Regulations, title 5, section 71210, subdivisions (c)(1) and (c)(6)
2 state:

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

4 “(1) The admissions requirements, including minimum levels of prior education,
5 preparation, skills, or training;

6 . . .

7 “(5) The method of instruction;

8 “(6) The graduation requirements”

9 25. California Code of Regulations, title 5, section 71220, subdivision (a) states:

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

13 “(a) A description of the educational program.”

14 26. California Code of Regulations, title 5, section 71260, subdivision (b) states:

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

18 27. California Code of Regulations, title 5, section 71270 states:

19 “The Form Application 94886 shall include a description of library holdings, services, and
20 other learning resources, including policies and procedures for supplying them to students who do
21 not receive classroom instruction. The description need not consist of a list of each holding. The
22 description shall include an explanation of how the library and other learning resources are
23 sufficient to support the instructional needs of students and, if no facilities exist at the institution,
24 how and when students may obtain access to a library and other learning resources as required by
25 the curriculum.”

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1 28. California Code of Regulations, title 5, section 71310, subdivision (b) states:

2 “(b) The description shall include the name, physical address, email address, and telephone
3 number of the custodian of records, and the physical addresses and telephone numbers of the
4 offices or buildings where the records will be maintained.”

5 29. California Code of Regulations, title 5, section 71340, subdivision (a) states:

6 “(a) The institution shall include in the Form Application 94886 any material facts, which
7 have not otherwise been disclosed in the Form Application 94886 that without inclusion would
8 cause the information in the Form Application 94866 to be false, misleading or incomplete or that
9 might reasonably affect the Bureau's decision to grant an approval to operate. In this context, a
10 fact would be “material” if it would alter the Bureau's determination concerning the institution's
11 ability to comply with any applicable provisions of the Act.”

12 30. California Code of Regulations, title 5, section 71400.5, subdivision (a) states:

13 “(a) The inclusion of false or misleading information, or the intentional or negligent
14 omission of pertinent information on any application may result in the denial of the application or
15 a delay in processing, and may be grounds for action pursuant to Article 18 of the Act.”

16 31. California Code of Regulations, title 5, section 71710, subdivision (a)(2) states:

17 “(a) In order to meet its mission and objectives, the educational program defined in Section
18 94837 of the Code shall be comprised of a curriculum that includes:

19 ...

20 “(2) Subject areas and courses or modules that are presented in a logically organized
21 manner or sequence to students;”

22 32. California Code of Regulations, title 5, section 71715 states, in part:

23 “(a) Instruction shall be the central focus of the resources and services of the institution.

24 “(b) The institution shall document that the instruction offered leads to the achievement of
25 the learning objectives of each course.

26 ...

27 “(d) Distance education as defined in section 94834 of the Code, does not require the
28 physical presence of students and faculty at the same location but provides for interaction

1 between students and faculty by such means as telecommunication, correspondence, electronic
2 and computer augmented educational services, postal service, and facsimile transmission. In
3 addition to the other requirements of this chapter and the Act, an institution offering distance
4 education shall:

5 . . .

6 “(2) assess each student, prior to admission, in order to determine whether each student has
7 the skills and competencies to succeed in a distance education environment;

8 “(3) ensure that the materials and programs are current, well organized, designed by faculty
9 competent in distance education techniques and delivered using readily available, reliable
10 technology;

11 . . .

12 “(5) maintain clear standards for satisfactory academic progress;

13”

14 33. California Code of Regulations, title 5, section 71720, subdivision (a) states, in part:

15 “(a) An Educational Program Leading to a Degree.

16 . . .

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

19 “(A) That the person possesses one of the following:

20 “1. a degree from: an institution approved by the Bureau or previously approved by a
21 predecessor agency of the Bureau; or an accredited institution in the United States or Canada; or
22 other state approved institution that documents that the institution at which the faculty member
23 earned his or her degree is equivalent to an institution that is approved by the Bureau; or an
24 institution outside the United States or Canada and in addition provides a comprehensive
25 evaluation of the degree performed by a foreign credential evaluation service that is a member of
26 the National Association of Credential Evaluation Services (NACES).

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1 “2. a credential generally recognized in the field of instruction.

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

4 . . .

5 “(6) When contracting for educational services, the institution shall maintain control of, and
6 responsibility for, all academic matters, and shall assure that the instruction and faculty satisfy the
7 standards established by the Act and this chapter;

8”

9 34. California Code of Regulations, title 5, section 71730 states, in part:

10 “(a) Each institution shall have a chief executive officer, a chief operating officer and chief
11 academic officer. One person may serve more than one function.

12 . . .

13 “(e) The chief academic officer shall possess a degree or equivalent acceptable experience
14 at least equal to the highest qualifications required of the institution's faculty. Chief academic
15 officers employed on the date of implementation of these regulations, who do not meet the
16 qualifications for their positions, shall have three years to earn the necessary degrees or
17 experience to qualify them for their position.

18”

19 35. California Code of Regulations, title 5, section 71735, subdivision (a) states:

20 “(a) An institution shall have sufficient facilities and necessary equipment to support the
21 achievement of the educational objectives of all of the courses and educational programs in which
22 students are enrolled. If an institution represents that the educational service will fit or prepare a
23 student for employment in a particular occupation or as described in particular job titles, either of
24 the following conditions shall be met:

25 “(1) The equipment used for instruction or provided to the student shall be comparable in
26 model type or features to equipment generally used in those occupations or job titles at the time
27 the instruction is offered.

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1 “(2) The institution shall establish that the equipment used for instruction or provided to a
2 student is not obsolete and is sufficient for instructional purposes to reasonably assure that a
3 student acquires the necessary level of education, training, skill, and experience to obtain
4 employment in the field of training and to perform the tasks associated with the occupation or job
5 title to which the educational program was represented to lead.”

6 36. California Code of Regulations, title 5, section 71740 states, in part:

7 “(a) A degree granting institution shall make available for student use a library and other
8 learning resources.

9 “(b) An institution shall provide or make provisions for the library and other learning
10 resources needed to support each educational program it offers, including resources such as
11 reference works, periodicals, monographs, and media and equipment specific to the educational
12 programs offered.

13”

14 37. California Code of Regulations, title 5, section 71770, subdivision (a) states:

15 “(a) The institution shall establish specific written standards for student admissions for each
16 educational program. These standards shall be related to the particular educational program. An
17 institution shall not admit any student who is obviously unqualified or who does not appear to
18 have a reasonable prospect of completing the program and shall describe in its admissions policy
19 the criteria used by the institution to determine whether each student is qualified for admission to
20 the educational program (“qualified candidate for admission”). In addition to any specific
21 standards for an educational program, the admissions standards must specify as applicable that:

22 “(1) Each student admitted to an undergraduate degree program, or a diploma program,
23 shall possess a high school diploma or its equivalent, or otherwise meet the institution's criteria
24 for a qualified candidate for admission, including minimum levels of prior education, preparation,
25 skills, or training.

26 “(2) Each student admitted into a post-baccalaureate degree program shall possess a
27 bachelor's degree or its equivalent. If a graduate program leads to a profession or an occupation
28 requiring state licensure and the licensing agency does not require that a member of the

profession or occupation possess a Bachelor's degree or its equivalent, this subdivision does not apply."

38. California Code of Regulations, title 5, section 71810, subdivision (b) states:

"(b) The catalog shall contain the information prescribed by Section 94909 of the Code"

39. California Code of Regulations, title 5, section 71865, subdivision (a) states:

"(a) A Master's degree may only be awarded to a student who demonstrates at least the achievement of learning in a designated major field that is equivalent 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."

FIRST CAUSE FOR DENIAL OF APPLICATION

(Admission Standards)

40. Respondent's Application is subject to denial in that Respondent failed to demonstrate that it maintains specific written standards for student admissions and that those standards are related to the particular education program or otherwise offer admissions standards that comply with applicable law. (Educ. Code §§ 94885, subds. (a)(2) and (a)(9), 94887, and 94909, subd. (a)(8)(A); and Cal. Code Regs., title 5, §§ 71210, subd. (c)(1), 71770, subds. (a) and (a)(2), and 71715, subd. (d)(2).) In particular:

a. Respondent's Application does not list the admissions requirements, including minimum levels of prior education, preparation, skills, or training, for each educational program offered, as required by California Code of Regulations, title 5, section 71210, subdivision (c)(1).

b. Respondent's Application does not provide specific written standards for student admissions for each educational program to establish prospective students are qualified and have a reasonable prospect of completing the program, as required by California Code of Regulations, title 5, section 71770, subdivision (a).

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1 c. Respondent's Application fails to demonstrate that Respondent will assess each
2 student, prior to admission, to determine whether each student has the skills and competencies to
3 succeed in a distance education¹ environment, as required by California Code of Regulation, title
4 5, section 71715, subdivision (d)(2).

5 d. Respondent's proposed catalog also fails to contain a detailed description of
6 Respondent's admissions policies, as required by Section 94909, subdivision (a)(8)(A).

7 **SECOND CAUSE FOR DENIAL OF APPLICATION**

8 (Method of Instruction and Learning Management System)

9 41. Respondent's Application is subject to denial in that Respondent proposes offering
10 instruction to students via distance education methods using an online computer system, referred
11 to as a "Learning Management System" (LMS). But Respondent's proposed distance education
12 methods fail to comply with applicable law. (Educ. Code §§ 94834, 94885, subd. (a)(9), and
13 94897, subd. (u); and Cal. Code Regs., title 5, §§ 71210, subd. (c)(5); 71715, subds. (d)(3) and
14 (d)(5); and 71720, subd. (a)(6).) In particular:

15 a. The Bureau staff is unable to verify that Respondent can comply with its stated
16 policies related to course materials because the Bureau staff is unable to access the online,
17 distance education materials Respondent represents students will have access to via its LMS.
18 (Educ. Code § 94897, subd. (u).)

19 b. Because the Bureau staff is unable to access Respondent's distance education
20 materials, it is unable to verify that Respondent lists, for each education program offered, the
21 method of instruction, as required by California Code of Regulations, title 5, section 71210,
22 subdivision (c)(5).

23 c. The content of Respondent's LMS does not establish that Respondent's
24 materials and programs are current, well organized, designed by faculty competent in distance
25 education techniques and delivered using readily available, reliable technology, as required by
26 California Code of Regulations, title 5, section 71715, subdivision (d)(3).

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¹ "Distance education" means transmission of instruction to students at a location separate from
the institution." (Educ. Code § 94834.) 14

1 d. Some of the textbooks in Respondent's proposed syllabus are out of date. As a
2 result, Respondent's distance learning materials and programs are not current, as required by
3 California Code of Regulations, title 5, section 71715, subdivision (d)(3).

4 e. The content of Respondent's LMS does not establish that Respondent maintains
5 clear standards for satisfactory academic progress, as required by California Code of Regulations,
6 title 5, section 71715, subdivision (d)(5).

7 f. Respondent's proposed LMS appears to be maintained by, in the control of,
8 and/or under the responsibility of a different institution, contrary to California Code of
9 Regulations, title 5, section 71720, subdivision (a)(6).

10 **THIRD CAUSE FOR DENIAL OF APPLICATION**

11 (Textbooks and Other Learning Materials)

12 42. Respondent's Application is subject to denial in that Respondent's textbooks and
13 other learning materials are not sufficient to achieve its stated objective or enable students to
14 achieve the proposed educational program's goals. (Educ. Code §§ 94885, subds. (a)(1), (a)(3),
15 and (a)(9), and 94887; and Cal. Code Regs., title 5, §§ 71710, subd. (a)(2); 71715, subd. (d)(3);
16 and 71865, subd. (a).) In particular:

17 a. Respondent's proposed course textbooks are inadequate to support the
18 achievement of learning in a designated major field that is equivalent in depth to that normally
19 acquired in a minimum of 30 semester credits or its equivalent or one year of study beyond the
20 Bachelor's degree, as required by California Code of Regulations, title 5, section 71865,
21 subdivision (a).

22 b. Respondent's proposed curricula are not adequate in that they are not logically
23 organized or well-organized, as required by California Code of Regulations, title 5, sections
24 71710, subdivision (a)(2) and 71715, subdivision (d)(3), in that Respondent is unable to provide
25 the Bureau with copies of the materials that Respondent states it will provide for portions of its
26 programs' courses.

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1 **FOURTH CAUSE FOR DENIAL OF APPLICATION**

2 (Graduation Requirements)

3 43. Respondent's Application is subject to denial in that the portions of the Application
4 titled "Instruction and Degrees Offered," "Description of Educational Programs," and "Catalog"
5 contain contradictory statements related to what is required to graduate from Respondent's
6 programs. (Educ. Code §§ 94885, subds. (a)(1), (a)(3), (a)(7), and (a)(9) and 94909, subd. (a)(5);
7 and Cal. Code Regs., title 5, §§ 71210, subd. (c)(6) and 71220, subd. (a).) As a result:

8 a. Respondent will not be able to adhere to its own stated policies, as required by
9 Section 94897, subdivision (u).

10 b. Because those portions of the Application are required by law or otherwise by
11 the Bureau, Respondent's contradictory representations constitute untrue or misleading
12 statements related to a record or document required by the California Private Postsecondary
13 Education Act of 2009 (Bus. & Prof. Code § 94800 *et seq.*) or by the Bureau, in violation of
14 Section 94897, subdivision (j).

15 **FIFTH CAUSE FOR DENIAL OF APPLICATION**

16 (Educational Program)

17 44. Respondent's Application is subject to denial in that Respondent failed to establish
18 that the content of its proposed educational programs can achieve their stated objectives and
19 otherwise has not demonstrated those programs are compliant with applicable law. (Educ. Code
20 §§ 94885, subds. (a)(1) and (a)(9) and 94887; and Cal. Code Regs., title 5, §§ 71715, subd. (b)
21 and 71865, subd. (a).) In particular:

22 a. Respondent's proposed Master's degree programs lack the equivalent depth to
23 that normally acquired in a minimum of 30 semester credits or its equivalent or one year of study
24 beyond the Bachelor's degree, as required by California Code of Regulations, title 5, section
25 71865, subdivision (a).

26 b. Although Respondent offered the Bureau general access to its LMS, the Bureau
27 is not able to access actual course materials, such as lesson plans, presentation materials,
28 assignment prompts and rubrics, quizzes, and exams. As a result, Respondent failed to document

1 that the instruction seeks approval to offer would lead to the achievement of the learning
2 objectives of each course, as required by California Code of Regulations, title 5, section 71715,
3 subd. (b).

4 **SIXTH CAUSE FOR DENIAL OF APPLICATION**

5 (Facilities and Equipment)

6 45. Respondent's Application is subject to denial in that Respondent has not established
7 that its facilities are sufficient to enable students to achieve the educational program's goals or is
8 otherwise compliant with applicable law. (Educ. Code §§ 94885, subds. (a)(3) and (a)(9); and
9 Cal. Code Regs., title 5, §§ 71260, subd. (b), 71340, subd. (a), 71400.5, subd. (a), and 71735,
10 subd. (a).) In particular, Respondent's Application offers contradictory statements and details
11 regarding Respondent's proposed facilities. As a result:

12 a. Statements in Respondent's application appear to contradict the lease
13 agreement Respondent offered. (Cal. Code Regs., title 5, § 71400.5, subd. (a).)

14 b. Respondent apparently failed to notify the Bureau in writing of changes in
15 circumstances regarding this section of its Application and/or modifications in its lease
16 agreement. (Cal. Code Regs., title 5, §§ 71340, subd. (a) and 71400.5, subd. (a).)

17 c. The floorplan of Respondent's proposed facility appears to present a
18 misleading characterization of the facilities available in that some of the rooms presented in the
19 floorplan appear to be shared with other tenants and may require reservations or rentals on an as-
20 available basis. (Cal. Code Regs., title 5, §§ 71340, subd. (a) and 71400.5, subd. (a).)

21 d. The document Respondent offered regarding its proposed facilities, one page
22 of a lease agreement demonstrating payment, is not sufficient for the Bureau to establish that
23 Respondent's facilities are compliant with applicable law, in part, because Respondent failed to
24 submit to the Bureau documents referenced in the lease agreement, including Terms and
25 Conditions and House Rules. (Cal. Code Regs., title 5, §§ 71260, subd. (b), 71340, subd. (a),
26 71400.5, subd. (a), and 71735, subd. (a).)

27 e. Respondent's lease agreement provides for a month-to-month lease, which is
28 not sufficient to satisfy California Code of Regulations, title 5, section 71735, subdivision (a).

1 f. A different institution, as part of its application for approval to operate,
2 submitted to the Bureau an identical lease agreement as that offered by Respondent. Respondent
3 failed to disclose to the Bureau that it would be sharing its proposed facility. (Cal. Code Regs.,
4 title 5, § 71400.5, subd. (a).)

5 **SEVENTH CAUSE FOR DENIAL OF APPLICATION**

6 (Library and Learning Resources)

7 46. Respondent's Application is subject to denial in that Respondent provided the Bureau
8 with information demonstrating that it intends to use an online system for its library and other
9 learning resources. But Respondent failed to provide the Bureau with access to that system so
10 that the Bureau could establish that Respondent's system complies with applicable statutes and
11 regulations. (Educ. Code § 94885, subd. (a)(3) and Cal. Code Regs., title 5, §§ 71270, 71735,
12 subd. (a), and 71740, subds (a) and (b).)

13 **EIGHTH CAUSE FOR DENIAL OF APPLICATION**

14 (End of SN's Employment)

15 47. Respondent's Application is subject to denial in that a staff member (SN), whom
16 Respondent formerly identified to the Bureau for purposes of its Application as Respondent's (i)
17 contact person for the Application; (ii) Chief Academic Officer; (iii) statutory representative; and
18 (iv) custodian of records, is no longer employed by Respondent. Respondent declined to identify
19 an individual or individuals to serve in those roles. (Educ. Code §§ 94885, subd. (a)(9) and Cal.
20 Code of Regs., title 5, §§ 71110, subd. (e), 71140, subd. (c), 71160, 71310, subd. (b), 71720,
21 subd. (a)(4), and 71730, subds. (a) and (e).) As a result:

22 a. Respondent failed to provide the name, address, email address, fax number and
23 phone number of an individual who will function as the institution's contact person for the
24 purposes of its Application, as required by California Code of Regulations, title 5, section 71110,
25 subdivision (e).

26 b. Respondent failed to identify its chief academic officer or described their
27 education, experience, and qualifications to perform their duties and responsibilities, as required
28 by California Code of Regulations, title 5, section 71140, subdivision (c).

1 c. Respondent failed to provide the name, work address, email address, fax
2 number and telephone number of the person with whom the Bureau will correspond and conduct
3 legal transactions on behalf of the institution, as required by California Code of Regulations, title
4 5, section 71160.

5 d. Respondent failed to provide the name, physical address, email address, and
6 telephone number of its custodian of records, as required by California Code of Regulations, title
7 5, section 71310, subdivision (b).

8 **NINTH CAUSE FOR DENIAL OF APPLICATION**

9 (Catalog)

10 48. Respondent's Application is subject to denial in that its proposed catalog does not
11 comply with applicable law. (Educ. Code §§ 94885, subd. (a)(9) and 94909, subds. (a)(1) and
12 (a)(5); and Cal. Code of Regs., title 5, § 71810, subd. (b).) In particular:

13 a. Respondent's proposed catalog contains contradictory statements regarding the
14 address of its campus. As a result, the proposed catalog fails to provide the campus address, as
15 required by Section 94909, subdivision (a)(1) and California Code of Regulations, title 5, section
16 71810, subdivision (b).

17 b. Respondent's proposed catalog refers to degree and certificate programs as
18 well as a grading policy that are not referenced or proposed in the Application, as required by
19 Section 94909, subdivision (a)(5) and California Code of Regulations, title 5, section 71810,
20 subdivision (b).|

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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 Approval to Operate an Institution Non-Accredited in California; and
2. Taking such other and further action as deemed necessary and proper.

DATED: 7/31/2025

"Original Signature on File"

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

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