

1 ROB BONTA  
Attorney General of California  
2 JOSHUA A. ROOM  
Supervising Deputy Attorney General  
3 CARTER OTT  
Deputy Attorney General  
4 State Bar No. 221660  
455 Golden Gate Avenue, Suite 11000  
5 San Francisco, CA 94102-7004  
Telephone: (415) 510-3485  
6 Facsimile: (415) 703-5480  
E-mail: Carter.Ott@doj.ca.gov  
7 *Attorneys for Complainant*

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

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

15 **MICRO-EASY COMPUTER**  
16 **ENTERPRISES, INC.**  
17 **dba MICRO-EASY VOCATIONAL**  
18 **INSTITUTE**  
19 **2300 El Portal Dr., Suite C**  
20 **San Pablo, CA 94806**

**Institution Code No. 0703041**

Respondent.

Case No. BPPE22-540

**STATEMENT OF ISSUES**

21 **PARTIES**

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

25 2. On or about August 14, 2020, the Bureau received an Application for Renewal of  
26 Approval to Operate and Offer Educational Programs for Non-Accredited Institutions from  
27 Micro-Easy Computer Enterprises, Inc., a California corporation doing business as Micro-Easy  
28 Vocational Institute (Respondent). Between October 2020 and June 2022, the Bureau and

1 Respondent exchanged correspondence, documents, and other information related to  
2 Respondent’s renewal application. On or about July 11, 2022, the Bureau issued Respondent a  
3 Notice of Denial of Application for Renewal of Approval to Operate. On or about August 8,  
4 2022, the Bureau received from Respondent a written notice of appeal requesting a hearing  
5 regarding the Bureau’s denial of Respondent’s renewal 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 for Private Postsecondary Education, under the  
9 authority of the following laws. All section references are to the California Education Code,  
10 unless stated otherwise.

11 4. 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 5. 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 6. Section 94885, subdivision (a) states:

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

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

25 “(3) The facilities, instructional equipment, and materials are sufficient to enable students to  
26 achieve the educational program’s goals.

27 . . .

28 “(5) The directors, administrators, and faculty are properly qualified.

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

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

5           . . .

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

8           7.     Section 94886 states:

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

13          8.     Section 94887 states:

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

19          9.     Section 94891 states, in part:

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

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

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

26          “(2) An institution that has filed an appeal of a denial of a renewal application may continue  
27 to operate during the appeal process, but must disclose in a written statement, approved by the  
28 bureau, to all current and prospective students, that the institution’s application for renewal of

1 approval to operate was denied by the bureau because the bureau determined the application did  
2 not satisfy the requirements to operate in California, that the institution is appealing the bureau's  
3 decision, and that the loss of the appeal may result in the institution's closure.

4 . . . .”

5 **STATUTORY AND REGULATORY PROVISIONS**

6 10. Section 94908 states:

7 “Any information or statement required by this article to be included in the catalog, School  
8 Performance Fact Sheet, or enrollment agreement shall be printed in at least the same size font as  
9 the majority of the text in that document.”

10 11. Section 94909 states, in part:

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

14 . . .

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

18 . . .

19 “(15) The following statement:

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

22 “The transferability of credits you earn at (name of institution) is at the complete discretion  
23 of an institution to which you may seek to transfer. Acceptance of the (degree, diploma, or  
24 certificate) you earn in (name of educational program) is also at the complete discretion of the  
25 institution to which you may seek to transfer. If the (credits or degree, diploma, or certificate) that  
26 you earn at this institution are not accepted at the institution to which you seek to transfer, you  
27 may be required to repeat some or all of your coursework at that institution. For this reason you  
28 should make certain that your attendance at this institution will meet your educational goals. This

1 may include contacting an institution to which you may seek to transfer after attending (name of  
2 institution) to determine if your (credits or degree, diploma, or certificate) will transfer.’

3 . . . .”

4 12. Section 94911 states, in part:

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

6 . . .

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

9 . . .

10 “(j) The following statements:

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

15 . . . .”

16 13. Section 94913, subdivision (b) states:

17 “(b) An institution shall include information concerning where students may access the  
18 bureau's Internet Web site anywhere the institution identifies itself as being approved by the  
19 bureau.”

20 14. California Code of Regulations, title 5, section 71260 states:

21 “(a) For each program offered, the Form Application 94886 shall contain a description of  
22 the facilities and the equipment which is available for use by students at the main, branch, and  
23 satellite locations of the institution.

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

27 /////

28 /////

1           “(c) The description of the physical facilities shall include building diagrams or campus  
2 maps to assist the Bureau in locating these facilities. The diagrams or maps shall identify the  
3 location of classrooms, laboratories, workshops, and libraries.

4           “(d) The description shall include specifications of significant equipment that demonstrate  
5 that the equipment meets the standards prescribed by the Code and this chapter and is sufficient to  
6 enable students to achieve the educational objectives of each education program.

7           “(e) For each item of significant equipment, the description shall indicate whether the  
8 equipment is owned, leased, rented, or licensed for short- or long-term, or owned by another and  
9 loaned to be used without charge.

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

14           15. California Code of Regulations, title 5, section 71475 states, in part:

15           ...

16           “(c) The application for renewal of approval to operate and offer educational programs for  
17 non-accredited institutions shall include all of the following:

18           ...

19           “(2) The physical address of the institution's primary administrative location in California.

20           “(3) The mailing address, identified either by physical address or by post office box  
21 number, telephone number and fax number of the institution.

22           ...

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

28

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

5           ...

6           “(r) The institution shall identify and describe, in the application, the educational program it  
7 offers, or proposes to offer. If the educational program is a degree program, the institution shall  
8 identify the full title which it will place on each degree awarded. If there have been no substantive  
9 changes since the last submission, the institution may so state and is not required to submit  
10 documentation.

11           ...

12           “(t) In addition, the institution shall list in the application, the following for each  
13 educational program offered unless there have been no substantive changes since the last  
14 submission. If there have been no substantive changes made the institution may so state and is not  
15 required to provide documentation.

16           “(1) The admissions requirements, including minimum levels of prior education,  
17 preparation, or training;

18           ...

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

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

23           “(5) The mode of instruction;

24           “(6) The graduation requirements.

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

28       /////

1           “(u) For each educational program that the institution offers or proposes to offer, the  
2 application shall contain a statement that the educational program meets the requirements of  
3 section 71710, as well as the following unless there have been no substantive changes since the  
4 last submission. If there have been no substantive changes made the institution may so state and is  
5 not required to provide documentation:

6           “(1) A description of the educational program.

7           “(2) A description of the equipment to be used during the educational program.

8           “(3) A description of the number and qualifications of the faculty needed to teach the  
9 educational program.

10           “(4) A projection, and the bases for the projection, of the number of students that the  
11 institution plans to enroll in the educational program during each of the three years following the  
12 date the application was submitted.

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

15           ...

16           “(7) Upon request, the institution shall provide to the Bureau copies of the curriculum or  
17 syllabi required pursuant to section 71710.

18           ...

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

22           ...

23           “(y)(1) For each program offered, the application shall contain a description of the facilities  
24 and the equipment which is available for use by students at the main, branch, and satellite  
25 locations of the institution unless there have been no substantive changes since the last  
26 submission. If there have been no substantive changes made the institution may so state and is not  
27 required to provide documentation.

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1           “(2) For facilities that are leased or rented, the application shall contain the name and  
2 address of the lessor or landlord, together with a copy of any use, lease, or rental agreements for  
3 the facilities unless there have been no substantive changes since the last submission. If there  
4 have been no substantive changes made the institution may so state and is not required to provide  
5 documentation.

6           “(3) The application shall include, in addition to the description of the physical facilities,  
7 building diagrams or campus maps to assist the Bureau in locating these facilities. The diagrams  
8 or maps shall identify the location of classrooms, laboratories, workshops, and libraries unless  
9 there have been no substantive changes since the last submission. If there have been no  
10 substantive changes made the institution may so state and is not required to provide  
11 documentation.

12           “(4) The description in the application shall include specifications of significant equipment  
13 that demonstrate that the equipment meets the standards prescribed by the Code and this chapter  
14 and is sufficient to enable students to achieve the educational objectives of each education  
15 program unless there have been no substantive changes since the last submission. If there have  
16 been no substantive changes made the institution may so state and is not required to provide  
17 documentation.

18           “(5) For each item of significant equipment, the description in the application shall indicate  
19 whether the equipment is owned, leased, rented, or licensed for short- or long-term, or owned by  
20 another and loaned to be used without charge unless there have been no substantive changes since  
21 the last submission. If there have been no substantive changes made the institution may so state  
22 and is not required to provide documentation.

23           “(6) The application shall contain a list of all permits, certifications, or other evidence of  
24 inspections or authorizations to operate required by the jurisdictions within which the institution  
25 operates that the institution has obtained, and/or an explanation as to why those permits,  
26 certifications, or inspections have not yet been obtained unless there have been no substantive  
27 changes since the last submission. If there have been no substantive changes made the institution  
28 may so state and is not required to provide documentation.

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“(cc) The institution shall submit with the application, a copy of the document that is awarded to a graduating student upon successful completion of each educational program unless there have been no substantive changes since the last submission. If there have been no substantive changes made the institution may so state and is not required to provide documentation.

...

“(ee) The application shall contain a description of the procedures used by the institution to assure that it is maintained and operated in compliance with the Act and this Division.

...”

16. California Code of Regulations, title 5, section 71700 states:

“The Bureau may request that an institution document compliance with the standards set forth in the Act and this Division to obtain and maintain an approval to operate.”

17. California Code of Regulations, title 5, section 71710, subdivision (c) states:

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

...

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

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

“(2) a statement of educational objectives;

“(3) length of the educational program;

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

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

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

“(7) instructional mode or methods.”

1 18. California Code of Regulations, title 5, section 71720, subdivision (b) states:

2 “(b) Instructors in an Educational Program Not Leading to a Degree.

3 “(1) An institution shall employ instructors who possess the academic, experiential and  
4 professional qualifications to teach, including a minimum of three years of experience, education  
5 and training in current practices of the subject area they are teaching. If an instructor does not  
6 possess the required three years of experience, education and training in the subject area they are  
7 teaching, the institution shall document the qualifications the instructor possesses that are  
8 equivalent to the minimum qualifications.

9 “(2) Each instructor shall maintain their knowledge by completing continuing education  
10 courses in his or her subject area, classroom management or other courses related to teaching.

11 “(3) The institution shall not employ or continue to employ an instructor who was  
12 adjudicated in a judicial or administrative proceeding as having violated any provision of the Act  
13 or this chapter, or as having committed any act that would constitute grounds for the denial of a  
14 license under Section 480 of the Business and Professions Code.”

15 19. California Code of Regulations, title 5, section 71745 states:

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

18 “(1) Provide all of the educational programs that the institution represented it would  
19 provide.

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

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

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

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

25 “(6) Maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the  
26 end of the most recent fiscal year when using generally accepted accounting principles, or for an  
27 institution participating in Title IV of the federal Higher Education Act of 1965, meet the  
28 composite score requirements of the U.S. Department of Education. For the purposes of this

1 section, current assets does not include: intangible assets, including goodwill, going concern  
2 value, organization expense, startup costs, long-term prepayment of deferred charges, and non-  
3 returnable deposits, or state or federal grant or loan funds that are not the property of the  
4 institution but are held for future disbursement for the benefit of students. Unearned tuition shall  
5 be accounted for in accordance with general accepted accounting principles.

6 “(b) At an institution’s request, the Bureau may consider the financial resources of a parent  
7 company if the parent company, as defined by section 94853 of the Code, meets and maintains all  
8 of the following provisions:

9 “(1) consents in writing to be sued in California;

10 “(2) consents in writing to be subject to the jurisdiction of the Bureau with respect to the  
11 institution's regulation under the Act and this Chapter;

12 “(3) designates and maintains an agent for service of process, consistent with section  
13 74190;

14 “(4) agrees in writing to pay any refund, claim, penalty, or judgment that the institution is  
15 obligated to pay; and

16 “(5) files financial reports, maintains financial records, and consents in writing to permit the  
17 inspection and copying of financial records to the same extent as is required of the institution.

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

19 20. California Code of Regulations, title 5, section 71810, subdivision (b)(1) states:

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

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

24 21. California Code of Regulations, title 5, section 74115 states, in part:

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

27  
28

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

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

8 “(2) Financial statements prepared on an annual basis as required by section 74110(b) shall  
9 be prepared in accordance with the generally accepted accounting principles established by the  
10 American Institute of Certified Public Accountants. Nonprofit institutions shall provide annual  
11 financial statements as required under generally accepted accounting principles for nonprofit  
12 organizations.

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

15 . . . .”

16 22. California Code of Regulations, title 5, section 76215, subdivision (a) states:

17 “(a) A qualifying institution shall include the following statement on both its enrollment  
18 agreement and school catalog:

19 ““The State of California established the Student Tuition Recovery Fund (STRF) to relieve  
20 or mitigate economic loss suffered by a student in an educational program at a qualifying  
21 institution, who is or was a California resident while enrolled, or was enrolled in a residency  
22 program, if the student enrolled in the institution, prepaid tuition, and suffered an economic loss.  
23 Unless relieved of the obligation to do so, you must pay the state-imposed assessment for the  
24 STRF, or it must be paid on your behalf, if you are a student in an educational program, who is a  
25 California resident, or are enrolled in a residency program, and prepay all or part of your tuition.

26 ‘You are not eligible for protection from the STRF and you are not required to pay the  
27 STRF assessment, if you are not a California resident, or are not enrolled in a residency  
28 program.’”

1 **FIRST CAUSE FOR DENIAL OF APPLICATION**

2 (Institution Physical and Mailing Addresses)

3 23. Respondent’s renewal application is subject to denial on the grounds that it does not  
4 include the physical address of the institution’s primary administrative location in California and  
5 the institution’s mailing address, identified either by physical address or by post office box  
6 number. (Educ. Code §§ 94885, subd. (a)(3) and (a)(9), and 94891, subd. (b); and Cal. Code  
7 Regs., title 5, §§ 71700 and 71475, subd. (c)(2) and (c)(3).) In particular, the renewal application  
8 contains Respondent’s prior physical and mailing addresses.

9 **SECOND CAUSE FOR DENIAL OF APPLICATION**

10 (Articles of Incorporation and Bylaws)

11 24. Respondent’s renewal application is subject to denial on the grounds that it fails to  
12 offer details regarding its form of business organization. (Educ. Code §§ 94885, subd. (a)(9) and  
13 94891, subd. (b); and Cal. Code Regs., title 5, §§ 71700 and 71475, subd. (c)(6).) In particular,  
14 Respondent failed to offer any documents or information establishing how Micro-Easy Computer  
15 Enterprises, Inc. is related to Micro-Easy Vocational Institute.

16 **THIRD CAUSE FOR DENIAL OF APPLICATION**

17 (Student Agreements)

18 25. Respondent’s renewal application is subject to denial on the grounds that it does not  
19 include a compliant enrollment agreement. (Educ. Code §§ 94885, subd. (a)(2) and (a)(9) and  
20 94891, subd. (b); and Cal. Code Regs., title 5, §§ 71700). In particular:

21 a. The font in Respondent’s proposed enrollment agreement is not printed in the  
22 same size font as the majority of the text in that document. (Cal. Educ. Code § 94908).

23 b. Respondent’s proposed enrollment agreement does not include the language,

24 regarding the Student Tuition Recovery Fund (STRF), required by California Code of  
25 Regulations, title 5, section 76215, subdivision (a).

26 c. Respondent's requisite transferability disclosure, in its enrollment agreement, is  
27 incomplete and not entirely legible. (Educ. Code §§ 94909, subd. (a)(15) and 94911, subd. (h).)

28 ////





1 **FIFTH CAUSE FOR DENIAL OF APPLICATION**

2 (Description of Educational Program)

3 27. Respondent’s renewal application is subject to denial on the grounds that it failed to  
4 provide details to show that its educational programs satisfy minimum operating standards.

5 (Educ. Code §§ 94885, subds. (a)(1), (a)(2), (a)(3), (a)(5), (a)(7) and (a)(9), and 94891, subd. (b);  
6 and Cal. Code Regs., title 5, §§ 71700). In particular:

7 a. Respondent failed to provide a description of the educational program, for each  
8 educational program that it proposes to offer. (Cal. Code Regs., title 5, § 71475, subd. (u)(1).)

9 b. Respondent failed to provide compliant syllabi for each educational program it  
10 intends to offer. (Cal. Code Regs., title 5, §§ 71475, subd. (u)(7) and 71710, subd. (c).)

11 c. Respondent failed to provide a description of the equipment to be used for each  
12 educational program it intends to offer. (Cal. Code Regs., title 5, § 71475, subd. (u)(2).)

13 d. Respondent failed to provide a description of the number and qualifications of  
14 the faculty needed to teach its educational programs. (Cal. Code Regs., title 5, § 71475, subd.  
15 (u)(3).)

16 e. Respondent failed to provide a projection, and the bases for the projection, of  
17 the number of students that the institution plans to enroll in each of the educational programs  
18 during each of the three years following the date the application was submitted. (Cal. Code  
19 Regs., title 5, § 71475, subd. (u)(4).)

20 f. Respondent failed to provide a description of the learning, skills, and other  
21 competencies to be acquired by students who complete its educational programs. (Cal. Code  
22 Regs., title 5, § 71475, subd. (u)(5).)

23 **SIXTH CAUSE FOR DENIAL OF APPLICATION**

24

(Financial Resources and Statements)

25

28. Respondent's renewal application is subjected to denial on the grounds that

26

Respondent's submitted financial statements, for the fiscal year ending December 31, 2021, are

27

not compliant. As a result the Bureau is unable to ascertain whether Respondent is financially

28

sound and capable of fulfilling its commitments to students. (Educ. Code §§ 94885, subds. (a)(6))

1 and (a)(9), and 94891, subd. (b); and Cal. Code Regs., title 5, §§ 71475, subds. (e) and (w)(2);  
2 71700; 71745; and 74115, subs. (a), (b)(1), (b)(2), (b)(3).) In particular:

3 a. Respondent's submitted financial statements were not conducted, prepared,  
4 reviewed or audited in accordance with generally accepted accounting principles (GAAP), as  
5 required by California Code of Regulations, title 5, section 74115, subdivisions (b)(1), (b)(2), and  
6 (b)(3).

7 b. Because Respondent's financial statements were not conducted or reviewed in  
8 accordance with GAAP, the Bureau is unable to determine if Respondent's financial statements  
9 must be reviewed or audited, as required by California Code of Regulations, title 5, sections  
10 71475, subdivisions (e) and (w)(2), and 74115, subdivision (b)(1).

11 c. Because Respondent's financial statements were not conducted or reviewed in  
12 accordance with GAAP, Respondent has failed to document that is has sufficient assets and  
13 financial resources to (1) provide all of the educational programs that the institution represented it  
14 would provide; (2) ensure that all students admitted to its educational programs have a reasonable  
15 opportunity to complete the programs and obtain their degrees or diplomas; (3) maintain the  
16 minimum standards required by the California Private Postsecondary Education Act of 2009  
17 (Educ. Code § 94800 *et seq.*) and California Code of Regulations, title 5, section 71700 *et seq.*;  
18 (4) pay timely refunds as required by the California Private Postsecondary Education Act of 2009,  
19 Article 13; (5) pay all operating expenses due within thirty (30) days; and (6) maintain a ratio of  
20 current assets to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal  
21 year when using generally accepted accounting principles, as required by California Code of  
22 Regulations, title 5, section 71745, subdivision (a).

### 23 **SEVENTH CAUSE FOR DENIAL OF APPLICATION**

24 (Faculty)

25 29. Respondent's renewal application is subject to denial on the grounds that, following  
26 the Bureau's request, Respondent either declined or refused to provide information regarding its  
27 faculty member K.O., including that instructor's qualifications, diplomas, transcripts, curriculum  
28 vitae, and/or teaching contracts, from which to ascertain whether K.O. is qualified. (Educ. Code

1 §§ 94885, subs. (a)(5) and (a)(9), and 94891, subd. (b); and Cal. Code Regs., title 5, §§ 71700  
2 and 71720, subd. (b).)

3 **EIGHTH CAUSE FOR DENIAL OF APPLICATION**

4 (Facilities and Equipment)

5 30. Respondent's renewal application is subject to denial on the grounds that its facilities,  
6 instructional equipment, and materials are sufficient to enable students to achieve the educational  
7 program goals. (Educ. Code §§ 94885, subs. (a)(3) and (a)(9), and 94891, subd. (b); and Cal.  
8 Code Regs., title 5, § 71700).

9 a. Respondent failed to provide a description of the facilities and the equipment  
10 which is available for use by students at the main, branch, and satellite locations of the institution.  
11 (Cal. Code Regs., title 5, §§ 71260, subd. (a) and 71475, subd. (y)(1).)

12 b. Respondent failed to provide the name and address of the lessor or landlord,  
13 together with a copy of any use, lease, or rental agreements for its facilities. (Cal. Code Regs.,  
14 title 5, §§ 71260, subd. (b) and 71475, subd. (y)(2).)

15 c. Respondent failed to provide building diagrams or campus maps to assist the  
16 Bureau in locating these facilities. (Cal. Code Regs., title 5, §§ 71260, subd. (c) and 71475, subd.  
17 (y)(3).)

18 d. Respondent failed to provide specifications of significant equipment that  
19 demonstrate that the equipment meets the standards prescribed by the Education Code and  
20 Education Code section 71100 *et seq.* and is sufficient to enable students to achieve the  
21 educational objectives of each education program. (Cal. Code Regs., title 5, §§ 71260, subd. (d)  
22 and 71475, subd. (y)(4).)

23 e. Respondent failed to provide, for each item of significant equipment, whether

24 the equipment is owned, leased, rented, or licensed for short-term or long-term, or owned by  
25 another and loaned to be used without charge. (Cal. Code Regs., title 5, §§ 71260, subd. (e) and  
26 71475, subd. (y)(5).)

27 f. Respondent failed to provide a list of all permits, certifications, or other  
28 evidence of inspections or authorizations to operate required by the jurisdictions within which the

1 institution operates that the institution has obtained, and/or an explanation as to why those  
2 permits, certifications, or inspections have not yet been obtained. (Cal. Code Regs., title 5, §§  
3 71260, subd. (f) and 71475, subd. (y)(6).)

4 **NINTH CAUSE FOR DENIAL OF APPLICATION**

5 (Catalog)

6 31. Respondent's renewal application is subject to denial on the grounds that it does not  
7 include a compliant school catalog. (Educ. Code §§ 94885, subds. (a)(1) and (a)(9), and 94891,  
8 subd. (b); and Cal. Code Regs., title 5, § 71700).

9 a. Respondent's proposed catalog does not contain the updated specific beginning  
10 and ending dates defining the time period covered by the catalog. (Cal. Code Regs., title 5, §  
11 71810, subd. (b)(1).)

12 b. Respondent's proposed catalog does not state the type of federal and/or state  
13 financial aid available to students, and does not state the consumer information that is required to  
14 be disclosed to students pursuant to the applicable federal and state financial aid programs.  
15 (Educ. Code § 94909, subd. (a)(10).)

16 **TENTH CAUSE FOR DENIAL OF APPLICATION**

17 (Website)

18 32. Respondent's renewal application is subject to denial on the grounds that  
19 Respondent's Internet website fails to include information concerning where students may access  
20 the Bureau's Internet website anywhere, on Respondent's website, where the institution identifies  
21 itself as being approved by the Bureau. (Educ. Code §§ 94885, subd. (a)(9), 94891, subd. (b), and  
22 94913, subd. (b); and Cal. Code Regs., title 5, §§ 71700).

23 **ELEVENTH CAUSE FOR DENIAL OF APPLICATION**

24 (Graduation or Completion Documents)

25 33. Respondent's renewal application is subject to denial on the grounds that it fails to  
26 include a copy of the document that is awarded to a graduating student upon successful  
27 completion of each educational program. (Educ. Code §§ 94885, subds. (a)(7) and (a)(9), and  
28 94891, subd. (b); and Cal. Code Regs., title 5, §§ 71475, subd. (cc) and 71700.)

1 **TWELFTH CAUSE FOR DENIAL OF APPLICATION**

2 (Self-Monitoring Procedures)

3 34. Respondent’s renewal application is subject to denial on the grounds that it fails to  
4 include a description of the procedures used by the institution to assure that it is maintained and  
5 operated in compliance with the California Private Postsecondary Act of 2009 (Education Code  
6 section 70000 *et seq.*) (Educ. Code § 94885, subd. (a)(9) and 94891, subd. (b); and Cal. Code  
7 Regs., title 5, §§ 71475, subd. (ee) and 71700.)

8 **PRAYER**

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

12 1. Denying the Application for Renewal of Approval to Operate and Offer Educational  
13 Programs for Non-Accredited Institutions of Micro-Easy Computer Enterprises, Inc., doing  
14 business as Micro-Easy Vocational Institute; and

15 2. Taking such other and further action as deemed necessary and proper.

16 DATED: 11/2/2022

17 “Original Signature on File”  
18 DEBORAH COCHRANE  
19 Chief  
20 Bureau for Private Postsecondary  
21 Education  
22 Department of Consumer Affairs  
23 State of California  
24 *Complainant*

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