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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 Accusation Against:

Case No. BPPE24-0735

14 **DELTA INTERNATIONAL UNIVERSITY**  
15 **DIUCA, INC.**  
1100 Town & Country Road, Suite 1250  
Orange, CA 92868

**ACCUSATION**

16 **Approval to Operate Institutional Code No.**  
17 **15556920**

Respondent.

18  
19 **PARTIES**

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

23 2. On February 26, 2020, the Bureau issued Approval to Operate Institution Code  
24 Number 15556920 to Delta International University DIUCA (Respondent); owned by Delta  
25 International University DIUCA, Inc. a suspended California corporation, Ataolah Hoodastian,  
26 Chief Executive Officer (CEO), Chief Financial Officer (CFO), Secretary, and sole Director. The  
27 Approval to Operate was not in full force and effect at all times relevant to the charges brought  
28 herein, expired on February 25, 2025, and was not renewed.

## **JURISDICTION**

3. Complainant brings this Accusation before the Director of the Department for the Bureau, under the authority of the following laws. All statutory references are to the California Private Postsecondary Education Act (Act) found in the Education Code (Ed. Code § 94800 *et seq.*) unless otherwise indicated.

4. Business and Professions Code section 118, subdivision (b), provides that the suspension, expiration, surrender, cancellation of a license shall not deprive the Director of jurisdiction to proceed with a disciplinary action during the period within which the license may be renewed, restored, reissued or reinstated.

5. Education Code sections 94817 and 94817.5 define an “approval to operate” or “approval” as the authorization pursuant to the Act to offer to the public and to provide postsecondary educational programs, as well as the written document issued to an institution signifying its approval to operate.

6. Education Code section 94820 defines the “Bureau” as an agency within the Department.

7. Education Code section 94848 defines “licensure” to include any license, certificate, permit, or similar credential that a person must hold to lawfully engage in a profession, occupation, trade, or career field.

8. Education Code section 94855 defines “person” as a natural person or a business organization, irrespective of its form.

9. Education Code section 94875 establishes the authority of the Bureau and provides that the Bureau shall regulate private postsecondary educational institutions through the powers granted, and duties imposed, by the Act. The Bureau’s highest priority in exercising its powers, and performing its duties, is the protection of the public.

10. Education Code section 94876 states:

- (a) The powers and duties set forth in [the Act] are vested in the Director of Consumer Affairs, who may delegate them to a bureau chief, subject to this section. The bureau chief shall work in collaboration with the director. The director is responsible for the implementation of this

chapter and they shall ensure that the protection of the public is the bureau's highest priority.

(b)

...

(c) Each power granted to, or duty imposed upon, the bureau under this chapter shall be exercised and performed in the name of the bureau, subject to any conditions and limitations the director may prescribe. The bureau chief may delegate any powers or duties to a designee.

11. Education Code section 94932 states:

The bureau shall determine an institution's compliance with the requirements of this chapter. . . . When the bureau has reason to believe that an institution may be out of compliance, it shall conduct an investigation of the institution. If the bureau determines, after completing an investigation, that an institution has violated any applicable law or regulation, the bureau shall take appropriate action pursuant to [Article 18 of the Act (Ed. Code § 94932 *et seq.*)].

12. Education Code section 94933 provides that the Bureau shall provide an institution with the opportunity to remedy noncompliance, impose fines, place the institution on probation, or suspend or revoke the institution's approval to operate, in accordance with this article, as it deems appropriate based on the severity of an institution's violations of this chapter, and the harm that results or may result to students.

13. Education Code section 94940 provides that a licensed institution subject to adverse administrative action be provided with a hearing under Administrative Procedure Act's formal administrative adjudication provisions (Gov. Code § 11500 *et seq.*).

### **STATUTORY PROVISIONS**

14. Education Code section 94885, subdivision (a)(6), provides that the Bureau shall adopt by regulation minimum operating standards for an institution that shall reasonably ensure the institution is financially sound and capable of fulfilling its commitments to students.

15. Education Code section 94893 provides that if an institution makes a substantive change without prior authorization from the Bureau, the institution's approval to operate may be suspended or revoked.

16. Education Code section 94894, subdivision (d), provides that a change in business organization form is considered substantive changes and require prior authorization.

1 17. Education Code section 94896, subdivision (b), provides that an institution shall  
2 notify the Bureau of a substantive change on a form provided by the Bureau.

3 18. Education Code section 94897, subdivision (q), provides that an institution may not in  
4 any manner make a material untrue or misleading statement to, a student or prospective student  
5 under the institution's authority or the pretense or appearance of the institution's authority.

6 19. Education Code section 94934.5:

7 (a) . . . An institution with an approval to operate that is the subject of . . . , a  
8 regulatory action by, . . . , any oversight entity other than the bureau shall report it  
9 to the bureau within 30 days. Failure to comply with this section may subject the  
institution to an administrative citation pursuant to Section 94936.

10 (b) For the purposes of this section, "investigation" means any inquiry into  
11 possible violations of any applicable laws or accreditation standards.

12 (c) For the purposes of this section, "oversight entity" means all of the  
13 following:

14 (1) Any governmental agency.

15 . . .

16 20. Education Code section 94937 states:

17 (a) As a consequence of an investigation, and upon a finding that an institution  
18 has committed a violation, the bureau may place an institution on probation or may  
suspend or revoke an institution's approval to operate for:

19 . . .

20 (2) A material violation or repeated violations of this chapter or regulations  
21 adopted pursuant to this chapter that have resulted in harm to students. For purposes  
22 of this paragraph, material violation includes, but is not limited to,  
misrepresentation, fraud in the inducement of a contract, and false or misleading  
claims or advertising, upon which a student reasonably relied in executing an  
enrollment agreement and that resulted in harm to the student.

23 . . .

24 (c) The bureau may seek reimbursement pursuant to Section 125.3 of the  
Business and Professions Code.

## 25 **REVENUE AND TAX CODE PROVISIONS**

26 21. Revenue and Tax Code section 19719 states:

27 (a) Any person who attempts or purports to exercise the powers, rights, and  
28 privileges of a corporation that has been suspended pursuant to Section 23301 or

1 who transacts or attempts to transact intrastate business in this state on behalf of a  
2 foreign corporation, the rights and privileges of which have been forfeited  
3 pursuant to the section, is punishable by a fine of not less than two hundred fifty  
dollars (\$250) and not exceeding one thousand dollars (\$1,000), or by  
imprisonment not exceeding one year, or both fine and imprisonment

4 . . .

5 22. Revenue and Tax Code section 23301 provides that except for filing an application  
6 for exempt status or amending the articles of incorporation as necessary either to perfect that  
7 application or to set forth a new name, the corporate powers, rights and privileges of a domestic  
8 taxpayer may be suspended, and the exercise of the corporate powers, rights and privileges of a  
9 foreign taxpayer in this state may be forfeited if, among other things, the tax payer fails to pay its  
10 Franchise Tax, penalty, interest, or any portion thereof.

11 23. Revenue and Tax Code section 23301.5 provides that the powers, rights, and  
12 privileges of a taxpayer may be suspended if it fails to file a tax return.

13 24. Revenue and Tax Code section 23302 states:

14 (a) Forfeiture or suspension of a taxpayer's powers, rights, and privileges  
15 pursuant to Section 23301, 23301.5, or 23775 shall occur and become effective  
16 only as expressly provided in this section in conjunction with Section 21020  
[requiring notice of suspension to taxpayer], which requires notice prior to the  
17 suspension of a taxpayer's powers, rights, and privileges.

18 (b) The notice requirements of Section 21020 shall also apply to any  
19 forfeiture of a taxpayer's powers, rights, and privileges pursuant to Section 23301,  
23301.5, or 23775 and to any voidability pursuant to subdivision (d) of Section  
20 23304.1.

21 (c) The Franchise Tax Board shall transmit the names of taxpayers to the  
22 Secretary of State as to which the suspension or forfeiture provisions of Section  
23 23301, 23301.5, or 23775 are or become applicable, and the suspension or  
forfeiture therein provided for shall thereupon become effective. The certificate of  
24 the Secretary of State shall be prima facie evidence of the suspension or  
forfeiture.

25 . . .

## 26 **REGULATORY PROVISIONS**

27 25. California Code of Regulations Title 5, section 74120 states:

28 In determining whether any of the grounds for denial set forth in Section 480 of

the Business and Professions Code exist, a crime or act shall be considered substantially related to the qualifications, functions, or duties of any owner, corporate director or member of the governing board, officer, administrator, or instructor under any of the following circumstances:

(a) The crime or act involves any violation of the Act or this chapter, the closure of an institution, fraud or misrepresentation, breach of fiduciary duty, any type of forgery or theft, or any type of dishonesty causing any financial loss.

(b) The crime, to a substantial degree, evidences present or potential unfitness to perform the functions and duties authorized or required by the Act or this chapter in a manner consistent with the public health, safety, or welfare, including a crime prohibited by Title 8 (commencing with Section 187) or Title 9 (commencing with Section 261) of the Penal Code.

26. California Code of Regulations Title 5, section 74130 states:

In determining whether any of the grounds for denial set forth in Section 480 of the Business and Professions Code exist, the Bureau shall consider evidence of rehabilitation and present eligibility for any approval or certificate issued by the Bureau, including all of the following factors:

(a) The nature and severity of the acts or crimes under consideration as grounds for denial;

(b) Evidence committed after the acts or crimes under consideration as grounds for denial that also could be considered grounds for denial;

(c) The time that has elapsed since commission of the acts or crimes described in subdivisions (a) and (b);

(d) The extent to which the person has complied with any terms of parole, probation, restitution, or any other sanctions lawfully imposed against the applicant;

(e) Evidence of any rehabilitation submitted by the applicant;

(f) Total criminal record;

(g) Evidence, if any, of expungement proceedings pursuant to Section 1203.4 of the Penal Code.

27. California Code of Regulations, title 5, section 71745, subdivision (a)(1), provides that an institution shall document that it has at all times sufficient assets and financial resources to provide all of the educational programs that the institution represented it would provide.

28. California Code of regulations, title 5, section 71760 states, "Each institution shall develop and maintain adequate procedures used by the institution to assure that it is maintained and operated in compliance with the Act and this Division."

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## **COST RECOVERY**

29. Business and Professions Code section 125.3 provides that the Board may request the administrative law judge to direct a licensee found to have committed a violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case, with failure of the licensee to comply subjecting the license to not being renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be included in a stipulated settlement.

## **FACTUAL ALLEGATIONS**

30. On June 3, 2024, the Secretary of State's (SOS) records reflected that Respondent's corporate status was "Suspended – FTB"<sup>1</sup> rendering it unable to exercise any powers, rights, and privileges.

31. On July 16, 2024, the SOS issued the Bureau a Certificate of Status (COS) showing Respondent's corporate status was suspended. Respondent failed to inform the Bureau of its suspension.

32. On July 22, 2024, a Bureau investigator investigated whether Respondent was advertising on the internet. The investigator found that Respondent had social media accounts on Instagram (<https://www.instagram.com/diucali/>). Respondent's Instagram page contained its logo describing itself as a "College & University," and contained a link to its website (<https://delta-university.org>).

33. Respondent made false statements on its internet advertising. Respondent's Instagram page contained photos of its Bureau "Approved Educational Program List" and a "Certificate of Membership" for an organization called Accreditation Service for International Schools, Colleges, & Universities.

34. Respondent's website describes itself in the "About Us" section as follows:

Delta International University (DIU) is a graduate institution offering online and on-campus Bachelor and Master Programs, approved by the Bureau for Private Postsecondary Education (BPPE), in California. The university is located in Garden Grove, California, in the United State of America.

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<sup>1</sup> FTB is the acronym used by the SOS to refer to the Franchise Tax Board.

35. Below the “About Us” description, Respondent’s website invites prospective students to “Apply Online.” To apply, a prospective student may fill out an application on Respondent’s website and submit the data to Respondent electronically. The application requests that prospective students provide Respondent with their full name, address, phone number, email, mobile phone number, date of birth, place of birth, educational history (prior university enrollment and dates of attendance), languages spoken, current profession, experience in the current profession, previous professions, and other countries where the student has worked. The application further authorizes Respondent to make inquiries about the accuracy of the student’s records.

36. Respondent's website does not notify prospective students that it is a suspended corporation.

**FIRST CAUSE FOR DISCIPLINE**

**(Violation of Regulations - Failure to Maintain Minimum Operating Standards)**

37. Complainant incorporates paragraphs 30-36 by reference as if set forth in full herein.

38. Respondent is subject to discipline under Education Code section 94937, subdivision (a)(2), because it materially or repeatedly violated the regulations adopted pursuant to the Act that resulted or may result in harm to students. Respondent's lack of capacity to exercise any right, power, or privilege violated the following regulations as follows:

a. Respondent failed to maintain adequate procedures to assure that it is maintained and operated in compliance with the Act and regulations applicable to Private Postsecondary Education (Cal. Code Regs., tit. 5, § 71760); and

b. Respondent failed to document that it had at all times sufficient assets and financial resources to provide all the educational programs that Respondent represented it would provide (Cal. Code Regs., tit. 5, § 71745, subd. (a)(1)).

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1 **SECOND CAUSE FOR DISCIPLINE**

2 **(Failure to Notify Bureau of Suspended Corporate Status)**

3 39. Complainant incorporates paragraphs 30-36 by reference as if set forth in full herein.

4 40. Respondent is subject to discipline under Education Code section 94934.5,  
5 subdivision (a), because it was subject to regulatory action by the Franchise Tax Board and SOS  
6 that resulted in the suspension of its corporate status, and Respondent failed to report the  
7 regulatory action to the Bureau within 30-days.

8 **FOURTH CAUSE FOR DISCIPLINE**

9 **(Making False or Misleading Statements)**

10 41. Complainant incorporates paragraphs 30-36 by reference as if set forth in full herein.

11 42. Respondent is subject to discipline under Education Code section 94937, subdivision  
12 (a)(2), because it violated the Act by making materially false, untrue, or misleading statements as  
13 follows:

14 a. Respondent violated Education Code section 94897, subdivision (q), by making  
15 false or misleading statements through its website or Instagram pages representing that it had the  
16 capacity to engage in licensed conduct under the pretense or appearance of its licensed authority  
17 when it lacked such capacity; or

18 b. Respondent committed a material violation of Education Code section 94937,  
19 subdivision (a)(2), because it made false or misleading claims in its advertising upon which a  
20 student could reasonably rely in executing an enrollment agreement that may result in harm to the  
21 student. A student may be harmed by submitting private personal information through  
22 Respondent's online application believing it to be a legitimate and authorized application process.

23 **PRAYER**

24 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,  
25 and that following the hearing, the Director issue a decision:

26 1. Revoking or suspending Approval to Operate Institution Code Number 15556920  
27 issued to Delta International University DIUCA;

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2. Ordering Respondent to pay the Bureau the reasonable costs of the investigation and enforcement of this case, pursuant to Education Code section 94937, subdivision (c), incorporating Business and Professions Code section 125.3; and if placed on probation, the costs of probation monitoring;

and,

3. Taking such other and further action as deemed necessary and proper.

DATED: 7/15/2025

"Original Signature on File"

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

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