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

10
11 In the Matter of the Statement of Issues
Against:

Case No. 1002620

12
13 **CALIFORNIA INTERNATIONAL**
THEOLOGICAL SEMINARY

FIRST AMENDED STATEMENT OF
ISSUES

14 Application for Approval to Operate an
15 Institution Non-Accredited

16 Respondent.

17
18 **PARTIES**

19 1. Dr. Michael Marion, Jr. (Complainant) brings this Statement of Issues solely in his
20 official capacity as the Chief of the Bureau for Private Postsecondary Education (Bureau),
21 Department of Consumer Affairs.

22 2. On or about August 14, 2002, the former Bureau for Private Postsecondary and
23 Vocational Education (BPPVE) received an Application for Approval to Operate an Institution
24 Non-Accredited from California International Theological Seminary (Respondent). On or about
25 August 14, 2002, Respondent certified under penalty of perjury to the truthfulness of all
26 statements, answers, and representations in the application. On February 6, 2004, the BPPVE
27 issued a Temporary Approval to Operate. On June 30, 2007, the BPPVE was sunset (Respondent
28 had not obtained full approval to operate). On January 1, 2010, the California Private

1 Postsecondary Education Act of 2009 (Act) became effective and the Bureau began operations.
2 On July 11, 2011, the Bureau received non-compliant catalog and enrollment documents from
3 Respondent. On February 26, 2013, the Bureau notified Respondent that additional information
4 was required. On July 17, 2014, Respondent provided additional documents to the Bureau. On
5 July 21, 2014, the Bureau received additional documents from Respondent. On March 7, 2016,
6 the Bureau sent Respondent a deficiency letter. On April 6, 2016, the Bureau received
7 Respondent's response to the deficiency letter. On May 6, 2016, the Bureau sent Respondent
8 another deficiency letter. On September 30, 2016, the Bureau received Respondent's submission
9 of its accreditation plan (but no further response to the May 6, 2016, deficiency letter). The
10 Bureau denied the application on April 4, 2017.

11 **JURISDICTION**

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

15 **STATUTORY PROVISIONS**

16 4. Business and Professions Code section 22 defines the term "board" to include
17 "bureau."

18 5. California Education Code section 94887 states:

19 "An approval to operate shall be granted only after an applicant has
20 presented sufficient evidence to the bureau, and the bureau has independently verified
21 the information provided by the applicant through site visits or other methods deemed
22 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."

23 6. California Education Code section 94885 states, in pertinent part:

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

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

27 ...

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

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7. Section 94902 of the Education Code states:

“(a) A student shall enroll solely by means of executing an enrollment agreement. The enrollment agreement shall be signed by the student and by an authorized employee of the institution.

(b) An enrollment agreement is not enforceable unless all of the following requirements are met:

(1) The student has received the institution’s catalog and School Performance Fact Sheet prior to signing the enrollment agreement.

(2) At the time of the execution of the enrollment agreement, the institution held a valid approval to operate.

(3) Prior to the execution of the enrollment agreement, the student and the institution have signed and dated the information required to be disclosed in the Student Performance Fact Sheet pursuant to subdivisions (a) to (d), inclusive, of Section 94910. Each of these items in the Student Performance Fact Sheet shall include a line for the student to initial and shall be initialed and dated by the student.

(c) A student shall receive a copy of the signed enrollment agreement, in writing or electronically, regardless of whether total charges are paid by the student.”

8. Section 94909 of the Educational Code states:

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

(1) The name, address, telephone number, and, if applicable, Internet Web site address of the institution.

(2) Except as specified in Article 2 (commencing with Section 94802), a statement that the institution is a private institution and that it is approved to operate by the bureau.

(3) The following statements:

(A) “Any questions a student may have regarding this catalog that have not been satisfactorily answered by the institution may be directed to the Bureau for Private Postsecondary Education at (address), Sacramento, CA (ZIP Code), (Internet Web site address), (telephone and fax numbers).”

(B) “As a prospective student, you are encouraged to review this catalog prior to signing an enrollment agreement. You are also encouraged to review the School Performance Fact Sheet, which must be provided to you prior to signing an enrollment agreement.”

(C) “A student or any member of the public may file a complaint about this institution with the Bureau for Private Postsecondary Education by calling (toll-free telephone number) or by completing a complaint form, which can be obtained on the bureau’s Internet Web site (Internet Web site address).”

1 (4) The address or addresses where class sessions will be held.

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

7 (6) If the educational program is designed to lead to positions in a
8 profession, occupation, trade, or career field requiring licensure in this state, a notice
9 to that effect and a list of the requirements for eligibility for licensure.

10 (7) Information regarding the faculty and their qualifications.

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

12 (A) Admissions policies, including the institution's policies regarding the
13 acceptance of credits earned at other institutions or through challenge examinations
14 and achievement tests, admissions requirements for ability-to-benefit students, and a
15 list describing any transfer or articulation agreements between the institution and any
16 other college or university that provides for the transfer of credits earned in the
17 program of instruction. If the institution has not entered into an articulation or transfer
18 agreement with any other college or university, the institution shall disclose that fact.

19 (B) Cancellation, withdrawal, and refund policies, including an
20 explanation that the student has the right to cancel the enrollment agreement and
21 obtain a refund of charges paid through attendance at the first class session, or the
22 seventh day after enrollment, whichever is later. The text shall also include a
23 description of the procedures that a student is required to follow to cancel the
24 enrollment agreement or withdraw from the institution and obtain a refund consistent
25 with the requirements of Article 13 (commencing with Section 94919).

26 (C) Probation and dismissal policies.

27 (D) Attendance policies.

28 (E) Leave-of-absence policies.

9) The schedule of total charges for a period of attendance and an
estimated schedule of total charges for the entire educational program.

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

(11) A statement specifying that, if a student obtains a loan to pay for an
educational program, the student will have the responsibility to repay the full amount
of the loan plus interest, less the amount of any refund, and that, if the student has
received federal student financial aid funds, the student is entitled to a refund of the
moneys not paid from federal student financial aid program funds.

(12) A statement specifying whether the institution has a pending petition
in bankruptcy, is operating as a debtor in possession, has filed a petition within the
preceding five years, or has had a petition in bankruptcy filed against it within the
preceding five years that resulted in reorganization under Chapter 11 of the United

States Bankruptcy Code (11 U.S.C. Sec. 1101 et seq.).

(13) If the institution provides placement services, a description of the nature and extent of the placement services.

(14) A description of the student's rights and responsibilities with respect to the Student Tuition Recovery Fund. This statement shall specify that it is a state requirement that a student who pays his or her tuition is required to pay a state-imposed assessment for the Student Tuition Recovery Fund. This statement shall also describe the purpose and operation of the Student Tuition Recovery Fund and the requirements for filing a claim against the Student Tuition Recovery Fund.

(15) The following statement:

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

The transferability of credits you earn at (name of institution) is at the complete discretion of an institution to which you may seek to transfer. Acceptance of the (degree, diploma, or certificate) you earn in (name of educational program) is also at the complete discretion of the institution to which you may seek to transfer. If the (credits or degree, diploma, or certificate) that you earn at this institution are not accepted at the institution to which you seek to transfer, you may be required to repeat some or all of your coursework at that institution. For this reason you should make certain that your attendance at this institution will meet your educational goals. This may include contacting an institution to which you may seek to transfer after attending (name of institution) to determine if your (credits or degree, diploma, or certificate) will transfer.”

(16) A statement specifying whether the institution, or any of its degree programs, are accredited by an accrediting agency recognized by the United States Department of Education. If the institution is unaccredited and offers an associate, baccalaureate, master's, or doctoral degree, or is accredited and offers an unaccredited program for an associate, baccalaureate, master's, or doctoral degree, the statement shall disclose the known limitations of the degree program, including, but not limited to, all of the following:

(A) Whether a graduate of the degree program will be eligible to sit for the applicable licensure exam in California and other states or become certified or registered as required for the applicable profession, occupation, trade, or career field in California.

(B) A degree program that is unaccredited or a degree from an unaccredited institution is not recognized for some employment positions, including, but not limited to, positions with the State of California.

(C) That a student enrolled in an unaccredited institution is not eligible for federal financial aid programs.

(b) If the institution has a general student brochure, the institution shall provide that brochure to the prospective student prior to enrollment. In addition, if the institution has a program-specific student brochure for the program in which the prospective student seeks to enroll, the institution shall provide the program-specific student brochure to the prospective student prior to enrollment.

(c) An institution shall provide the school catalog to any person upon

1 request. In addition, if the institution has student brochures, the institution shall
2 disclose the requested brochures to any interested person upon request.

3 (d) An accredited institution is not required to provide a School
4 Performance Fact Sheet to a prospective student who is not a California resident, not
5 residing in California at the time of his or her enrollment, and enrolling in an
6 accredited distance learning degree program offered by the institution, if the
7 institution complies with all federal laws, the applicable laws of the state where the
8 student is located, and other appropriate laws, including, but not limited to, consumer
9 protection and student disclosure requirements.

10 9. Section 94911 of the Education Code states, in pertinent part:

11 “(b) A schedule of total charges, including a list of any charges that are
12 nonrefundable and the student's obligations to the Student Tuition Recovery Fund,
13 clearly identified as nonrefundable charges.

14 (c) In underlined capital letters on the same page of the enrollment
15 agreement in which the student's signature is required, the total charges for the
16 current period of attendance, the estimated total charges for the entire educational
17 program, and the total charges the student is obligated to pay upon enrollment.

18 ...

19 (e)(1) A disclosure with a clear and conspicuous caption, “STUDENT’S
20 RIGHT TO CANCEL,” under which it is explained that the student has the right to
21 cancel the enrollment agreement and obtain a refund of charges paid through
22 attendance at the first class session, or the seventh day after enrollment, whichever is
23 later....

24 (i) (1) The following statement: “Prior to signing this enrollment
25 agreement, you must be given a catalog or brochure and a School Performance Fact
26 Sheet, which you are encouraged to review prior to signing this agreement. These
27 documents contain important policies and performance data for this institution. This
28 institution is required to have you sign and date the information included in the
School Performance Fact Sheet relating to completion rates, placement rates, license
examination passage rates, salaries or wages, and the most recent three-year cohort
default rate, if applicable, prior to signing this agreement.”

(2) The student may not be eligible for any other federal student financial
aid at another institution or other government assistance until the loan is repaid.”

10. Section 94897 of the Education Code states, in pertinent part:

“An institution shall not do any of the following:

...

(e) Advertise, or indicate in promotional material, that the institution is
accredited, unless the institution has been accredited by an accrediting agency.

...

(i) Use a name in any manner improperly implying any of the following:

1 (1) The institution is affiliated with any government agency, public or
private corporation, agency, or association if it is not, in fact, thus affiliated.

2 ...

3 (p) Offer an associate, baccalaureate, master's, or doctoral degree without
4 disclosing to prospective students prior to enrollment whether the institution or the
degree program is unaccredited and any known limitation of the degree, including,
5 but not limited to, all of the following:

6 (1) Whether a graduate of the degree program will be eligible to sit for
the applicable licensure exam in California and other states.

7 (2) A statement that reads: "A degree program that is unaccredited or a
8 degree from an unaccredited institution is not recognized for some employment
positions, including, but not limited to, positions with the State of California."

9 (3) That a student enrolled in an unaccredited institution is not eligible
10 for federal financial aid programs."

11 11. Section 94893 of the Education Code states:

12 "If an institution intends to make a substantive change to its approval to
13 operate, the institution shall receive prior authorization from the bureau. Except as
provided in subdivision (a) of Section 94896, if the institution makes the substantive
14 change without prior bureau authorization, the institution's approval to operate may
be suspended or revoked."

15 12. Section 94916 of the Education Code states:

16 An institution extending credit or lending money to an individual for institutional and
17 noninstitutional charges for an educational program shall cause any note, instrument,
or other evidence of indebtedness taken in connection with that extension of credit or
18 loan to be conspicuously marked on its face in at least 12-point type with the
following notice:

19 "NOTICE"

20 "You may assert against the holder of the promissory note you signed in order to
21 finance the cost of the educational program all of the claims and defenses that you
could assert against this institution, up to the amount you have already paid under the
22 promissory note."

23 13. Section 94920 of the Education Code states, in pertinent part:

24 "An institution that does not participate in the federal student financial aid
25 programs shall do all of the following:

26 (a) The institution shall advise each student that a notice of cancellation
27 shall be in writing, and that a withdrawal may be effectuated by the student's written
notice or by the student's conduct, including, but not necessarily limited to, a
28 student's lack of attendance.

1 (b) Institutions shall refund 100 percent of the amount paid for
2 institutional charges, less a reasonable deposit or application fee not to exceed two
3 hundred fifty dollars (\$250), if notice of cancellation is made through attendance at
4 the first class session, or the seventh day after enrollment, whichever is later.”

5 14. Section 94900 of the Education Code states:

6 “(a) An institution shall maintain records of the name, address, e-mail
7 address, and telephone number of each student who is enrolled in an educational
8 program in that institution.

9 (b) An institution shall maintain, for each student granted a degree or
10 certificate by that institution, permanent records of all of the following:

11 (1) The degree or certificate granted and the date on which that degree or
12 certificate was granted.

13 (2) The courses and units on which the certificate or degree was based.

14 (3) The grades earned by the student in each of those courses.”

15 15. Section 94913 of the Education Code states, in pertinent part:

16 “(a) An institution that maintains an Internet Web site shall provide on
17 that Internet Web site all of the following:

18 (1) The school catalog.

19 (2) A School Performance Fact Sheet for each educational program
20 offered by the institution.

21 (3) Student brochures offered by the institution.

22 (4) A link to the bureau's Internet Web site.

23 (5) The institution's most recent annual report submitted to the bureau.

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

27 16. Section 94900.5 of the Education Code states, in pertinent part:

28 “An institution shall maintain, for a period of not less than five years, at
its principal place of business in this state, complete and accurate records of all of the
following information:

(a) The educational programs offered by the institution and the
curriculum for each.

(b) The names and addresses of the members of the institution's faculty
and records of the educational qualifications of each member of the faculty.

(c) Any other records required to be maintained by this chapter,

1 including, but not limited to, records maintained pursuant to Article 16 (commencing
with Section 94928).”

2 17. Section 94910 of the Education Code states, in pertinent part:

3 “Except as provided in subdivision (d) of Section 94909 and Section
4 94910.5, prior to enrollment, an institution shall provide a prospective student with a
5 School Performance Fact Sheet containing, at a minimum, the following information,
as it relates to the educational program:

6 (a) Completion rates, as calculated pursuant to Article 16 (commencing
with Section 94928).

7 (b) Placement rates for each educational program, as calculated pursuant
8 to Article 16 (commencing with Section 94928), if the educational program is
designed to lead to, or the institution makes any express or implied claim related to
9 preparing students for, a recognized career, occupation, vocation, job, or job title.

10 ...

11 (d) Salary or wage information, as calculated pursuant to Article 16
(commencing with Section 94928).

12 ...

13 (f) All of the following:

14 (1) A description of the manner in which the figures described in
15 subdivisions (a) to (d), inclusive, are calculated or a statement informing the reader of
16 where he or she may obtain a description of the manner in which the figures
described in subdivisions (a) to (d), inclusive, are calculated.

17 (2) A statement informing the reader of where he or she may obtain from
18 the institution a list of the employment positions determined to be within the field for
which a student received education and training for the calculation of job placement
rates as required by subdivision (b).

19 (3) A statement informing the reader of where he or she may obtain from
20 the institution a list of the objective sources of information used to substantiate the
salary disclosure as required by subdivision (d).”

21 18. Section 94929.5 of the Education Code states, in pertinent part:

22 “(a) An institution shall annually report to the bureau, as part of the
23 annual report, and shall publish in its School Performance Fact Sheet, all of the
following:

24

25 (3) Salary and wage information, consisting of the total number of
26 graduates employed in the field and the annual wages or salaries of those graduates
stated in increments of five thousand dollars (\$5,000).”

27
28 19. Section 94934 of the Education Code states, in pertinent part:

1 “(a) As part of the compliance program, an institution shall submit an
2 annual report to the bureau, under penalty of perjury, signed by a responsible
3 corporate officer, by July 1 of each year, or another date designated by the bureau,
4 and it shall include the following information for educational programs offered in the
5 reporting period:

6 (1) The total number of students enrolled by level of degree or for a
7 diploma.

8 (2) The number of degrees, by level, and diplomas awarded.

9 (3) The degree levels and diplomas offered.

10 (4) The Student Performance Fact Sheet, as required pursuant to Section
11 94910 .

12 (5) The school catalog, as required pursuant to Section 94909 .

13 (6) The total charges for each educational program by period of
14 attendance.

15 (7) A statement indicating whether the institution is, or is not, current in
16 remitting Student Tuition Recovery Fund assessments.

17 (8) A statement indicating whether an accrediting agency has taken any
18 final disciplinary action against the institution.

19 (9) Additional information deemed by the bureau to be reasonably
20 required to ascertain compliance with this chapter.

21 (b) The bureau, by January 1, 2011, shall prescribe the annual report's
22 format and method of delivery.”

23 20. Section 94930.5 of the Education Code states, in pertinent part:

24 “Subject to Section 94930 , an institution shall remit to the bureau for
25 deposit in the Private Postsecondary Education Administration Fund the following
26 fees, in accordance with the following schedule:

27 ...

28 (d)(1) In addition to any fees paid to the bureau pursuant to subdivisions
(a) to (c), inclusive, each institution that is approved to operate pursuant to this
chapter shall remit both of the following:

(A) An annual fee for each campus designated by the institution as a
main campus location in California, in an amount equal to 0.45 percent of the
campus' total gross revenue derived from students in California, but not to be less
than two thousand five hundred dollars (\$2,500) and not to exceed sixty thousand
dollars (\$60,000).

(B) An annual campus fee for each branch of the institution in an amount
equal to 0.45 percent of the branch's total gross revenue derived from students in
California, but not to be less than two thousand five hundred dollars (\$2,500) and not

1 to exceed sixty thousand dollars (\$60,000).

2 (2) The amount of the annual fees pursuant to paragraph (1) shall be
3 proportional to the bureau's cost of regulating institutions under this chapter, but shall
4 not exceed seven hundred fifty thousand dollars (\$750,000) for any institution.”

5 21. Section 94939 of the Education Code states, in pertinent part:

6 (a) The bureau may bring an action for equitable relief for any violation
7 of this chapter. The equitable relief may include restitution, a temporary restraining
8 order, the appointment of a receiver, and a preliminary or permanent injunction. The
9 action may be brought in the county in which the defendant resides or in which any
10 violation has occurred or may occur.

11 22. California Code of Regulations, title 5, section 71730 states, in pertinent part:

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

18 (f) The institution shall employ administrative personnel who have the
19 expertise to ensure the achievement of the institution's mission and objectives and the
20 operation of the educational programs.”

21 23. California Code of Regulations, title 5, section 71800 states, in pertinent part:

22 “In addition to the requirements of section 94911 of the Code, an
23 institution shall provide to each student an enrollment agreement that contains at the
24 least the following information:

25 ...

26 (b) Period covered by the enrollment agreement.

27 (c) Program start date and scheduled completion date.

28 (d) Date by which the student must exercise his or her right to cancel or
withdraw, and the refund policy, including any alternative method of calculation if
approved by the Bureau pursuant to section 94921 of the Code.

(e) Itemization of all institutional charges and fees including, as
applicable:

(1) tuition;

(2) registration fee (non-refundable);

(3) equipment;

- (4) lab supplies or kits;
- (5) Textbooks, or other learning media;
- (6) uniforms or other special protective clothing;
- (7) in-resident housing;
- (8) tutoring;
- (9) assessment fees for transfer of credits;
- (10) fees to transfer credits;
- (11) Student Tuition Recovery Fund fee (non-refundable);
- (12) any other institutional charge or fee.”

24. California Code of Regulations, title 5, section 71715 states, in pertinent part:

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

25. California Code of Regulations, title 5, section 71850 states, in pertinent part:

“Graduation requirements for an undergraduate degree program shall meet minimum credit requirements and shall include provisions for general education appropriate to the level and type of degree. The institution shall specify the distribution of general education credit requirements by subject area for each undergraduate degree program.

(a) A Bachelor's degree may be awarded to a student whom the institution can document has achieved sequential learning equivalent in general education and equivalent in depth of achievement in a designated major field to that acquired in four years of study beyond high school, as measured by a minimum of 120 semester credits or its equivalent. At least 25 percent of the credit requirements for a Bachelor's degree shall be in general education.”

26. California Code of Regulations, title 5, section 71710 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:

(a) those subject areas that are necessary for a student to achieve the educational objectives of the educational program in which the student is enrolled;

(b) subject areas and courses or modules that are presented in a logically organized manner or sequence to students;

(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 (1) a short, descriptive title of the educational program;
- 2 (2) a statement of educational objectives;
- 3 (3) length of the educational program;
- 4 (4) sequence and frequency of lessons or class sessions;
- 5 (5) complete citations of textbooks and other required written materials;
- 6 (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 (7) instructional mode or methods.
- 8 (d) if degree granting, require research of an appropriate degree that
utilizes a library and other learning resources;
- 9 (e) specific learning outcomes tied to the sequence of the presentation of
10 the material to measure the students' learning of the material; and
- 11 (f) evaluation by duly qualified faculty of those learning outcomes.”

12 27. California Code of Regulations, title 5, section 71865 states:

13 “(a) A Master's degree may only be awarded to a student who
14 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
15 its equivalent or one year of study beyond the Bachelor's degree.

16 (b) A professional Doctoral degree may only be awarded to a student who
has completed a prescribed level of study normally requiring a minimum of three
17 academic years of full-time graduate study or the equivalent in part-time study; or, if
the program leads to a profession or occupation requiring state licensure, which
18 satisfies the requirements of the state agency. The degree shall include the name of
the field in which it is offered (e.g., Juris Doctor or Doctor of Music).

19 (c)(1) A Doctor of Philosophy degree (Ph.D.) is a research-oriented
degree requiring a minimum of three years of full-time graduate education or the
20 equivalent in part-time study. Such a doctoral program shall include substantial
instruction in both theory and research at an advanced level in a designated field and
21 specialty, and may only be awarded to a student who has completed a program of
study that includes research methodology and demonstrated learning achievement
22 through original research directly attributable to the student. Each educational
program leading to a Doctor of Philosophy degree shall involve preparation for
23 scholarship and systematic inquiry.

24 (2)(A) Each Doctor of Philosophy program shall include a minimum of
two formal evaluations of the student by a doctoral committee. The doctoral
25 committee shall be composed of at least three members of the institution's own
faculty who meet the qualifications in subdivision (c)(3).

26 (B) The first evaluation shall consider the student's qualifications,
27 including the student's knowledge, skills, and conceptual framework, for undertaking
rigorous inquiry into the student's designated field.

28

1 (C) The second evaluation shall consider the design procedures and
products of a formal original inquiry proposed and completed by the student.

2 (3) The faculty members who serve on each student's doctoral examining
committee shall meet the following qualifications:

3 (A) Each member shall have earned a Doctoral degree from: an institution
4 that is approved by the Bureau or previously approved by a predecessor agency of the
Bureau; or an accredited institution in the United States or Canada; or other state
5 approved institution that documents that the institution at which the faculty member
earned his or her degree is equivalent to an institution that is approved by the Bureau;
6 or an institution outside the United States or Canada and in addition provides a
comprehensive evaluation of the degree performed by a foreign credential evaluation
7 service that is a member of the National Association of Credential Evaluation
Services (NACES).

8 (B) The chair and the majority of the committee shall have earned
9 degrees related to the student's field of investigation.

10 (C) A minimum of 50% of the faculty on the committee shall have
degrees conferred by an institution accredited by an accrediting association
11 recognized by the United States Department of Education or the American Bar
Association, unless the accreditation does not exist.

12 (D) All of the faculty shall have three or more years of field or research
13 experience related to their degrees obtained after they obtained their degrees.

14 (E) All of the faculty shall have been active in their field of scholarship or
profession during the five year period preceding their participation on the committee.

15 (4) The formal evaluation procedures shall provide the committee as a
16 whole with the opportunity to jointly examine the candidate.

17 (5) If the candidate is not physically present and the evaluation must take
18 place by telephone or other means of electronic communication, one of the following
shall apply:

19 (A) One faculty member on the student's doctoral committee from the
main location (i.e., the state in which the program is licensed or otherwise officially
20 approved) must be present at the location where the doctoral student is examined.

21 (B) A proctor, selected and approved by the doctoral committee, shall sit
as an observer with the student at the distant location and verify, under penalty of
22 perjury under the laws of the State of California, the identity of the student and the
facts that the student received no prompting by anyone and did not have access to
23 unallowed materials during the evaluation process.

24 (6) If a project includes more than one student, the individual student's
role and contributions shall be clearly identified and documented.

25 (7) The institution shall maintain a written record of the evaluations. This
record shall include the names and signatures of all committee members who
26 participated in the evaluations.

27 (d) No more than 25 percent of the credits required for graduate degree
28 programs may be awarded for a final product such as a thesis, dissertation, or product.

1 (e) Dissertations, theses and other products submitted by a student as part
2 of a graduate program shall be signed by all faculty members recommending the
3 student for an award of a degree.”

4 28. California Code of Regulations, title 5, section 71720 states, in pertinent part:

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

6 (1) An institution offering an educational program that leads to a degree
7 shall employ duly qualified faculty sufficient in number to provide the instruction,
8 student advisement, and learning outcomes evaluation necessary for the institution to
9 document its achievement of its stated mission and objectives, and for students to
10 achieve the specific learning objectives of each course offered;

11 (2) Each institution shall develop and implement written policies and
12 procedures providing for the participation by duly qualified faculty in the conducting
13 of research, development of curricula, academic planning, enforcement of standards
14 of academic quality, pursuit of academic matters related to the institution's mission
15 and objectives, establishment of criteria for contracting with new faculty, and
16 evaluation of faculty credentials;

17 (3) In determining the number of faculty sufficient to satisfy subdivision
18 (a)(1) of this section and to implement the policies established pursuant to subdivision
19 (a)(2) of this section, the institution shall base its faculty requirements on all of the
20 following factors:

21 (A) The educational level and number of students;

22 (B) The number of hours needed for direct interaction between students
23 and faculty per course, quarter, semester, or other term;

24 (C) The number of hours needed to be spent on evaluating written
25 materials prepared by students, such as distance education, papers, and examinations,
26 per course, quarter, semester, or other term;

27 (D) The number of group meetings per course, quarter, semester, or other
28 term;

(E) The faculty duties established by the institution as required under
subdivision (a)(2) of this section; and

(F) The number of hours per week or units per term considered full-time
for faculty in the institution.

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

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

1. a degree from: an institution approved by the Bureau or previously
approved by a predecessor agency of the Bureau; or an accredited institution in the
United States or Canada; or other state approved institution that documents that the
institution at which the faculty member earned his or her degree is equivalent to an
institution that is approved by the Bureau; or an institution outside the United States
or Canada and in addition provides a comprehensive evaluation of the degree

1 performed by a foreign credential evaluation service that is a member of the National
2 Association of Credential Evaluation Services (NACES).

3 2. a credential generally recognized in the field of instruction.

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

6 (5) The institution's faculty as a whole shall possess a diverse educational
7 background which shall be demonstrated in part by earned degrees from a variety of
8 colleges and universities or by credentials generally recognized in the field of
9 instruction;

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

14 (7) The institution shall not employ or continue to employ any faculty
15 who were adjudicated in a judicial or administrative proceeding as having violated
16 any provision of the Act or this chapter or as having committed any act that would
17 constitute grounds for the denial of a license under Section 480 of the Business and
18 Professions Code;

19 (8) Each institution shall have a written Academic Freedom Policy which
20 describes the latitude the institution allows faculty in the classroom so faculty will not
21 inadvertently violate the principles of academic freedom. These policies shall be
22 made available to any person upon request. The institution shall not take adverse
23 action based on a staff member's exercise of academic freedom consistent with the
24 institution's policy; and

25 (9) The institution shall maintain records documenting that each faculty
26 member is duly qualified and was qualified to perform the duties to which the faculty
27 member was assigned, including providing instruction, evaluating learning outcomes,
28 evaluating graduate dissertations, theses, and student projects, and participating on
29 doctoral committees.”

30 29. California Code of Regulations, title 5, section 71810 states, in pertinent part:

31 “(b) The catalog shall contain the information prescribed by Section
32 94909 of the Code and all of the following:

33 (1) The specific beginning and ending dates defining the time period
34 covered by the catalog;

35 ...

36 (4) Language proficiency information, including: (A) the level of English
37 language proficiency required of students and the kind of documentation of
38 proficiency, such as the Test of English as a Foreign Language (TOEFL), that will be
39 accepted; and (B) whether English language services, including instruction such as
40 ESL, are provided and, if so, the nature of the service and its cost;

41 (5) Whether any instruction will occur in a language other than English

1 and, if so, the level of proficiency required and the kind of documentation of
2 proficiency, such as the United States Foreign Service Language Rating System, that
3 will be accepted;

4 (6) The institution's policies and practices regarding any form of financial
5 aid, including all consumer information which the institution is required to disclose to
6 the student under any state or federal financial aid program;

7 (7) The institution's policies and procedures for the award of credit for
8 prior experiential learning, including assessment policies and procedures, provisions
9 for appeal, and all charges that a student may be required to pay;

10 ...

11 (9) A description of the facilities and of the types of equipment and
12 materials that will be used for instruction;

13 (10) A description of library and other learning resources and the
14 procedures for student access to those resources;

15 ...

16 (13) Housing information including all of the following:

17 (A) Whether the institution has dormitory facilities under its control;

18 (B) The availability of housing located reasonably near the institution's
19 facilities and an estimation of the approximate cost or range of cost of the housing;
20 and

21 (C) If the institution has no responsibility to find or assist a student in
22 finding housing, a clear and conspicuous statement so indicating. A statement that the
23 program is "non-residential" does not satisfy this subparagraph.

24 (14) Policies on student rights, including the procedure for addressing
25 student grievances; and

26 (15) Policies on the retention of student records."

27 30. California Code of Regulations, title 5, section 71775.5 states, in pertinent part:

28 "(a) An approved unaccredited institution enrolling a student in a degree
program shall, prior to execution of an enrollment agreement, provide the student
with the following notice, which shall be in at least 12-point type in the same font as
the enrollment agreement:

"Notice to Prospective Degree Program Students

This institution is approved by the Bureau for Private Postsecondary
Education to offer degree programs. To continue to offer degree programs, this
institution must meet the following requirements:

- Become institutionally accredited by an accrediting agency recognized
by the United States Department of Education, with the scope of the accreditation
covering at least one degree program.

1 • Achieve accreditation candidacy or pre-accreditation, as defined in regulations, by July 1, 2017, and full accreditation by July 1, 2020.

2 If this institution stops pursuing accreditation, it must:

- 3 • Stop all enrollment in its degree programs, and
4 • Provide a teach-out to finish the educational program or provide a
5 refund.

6 An institution that fails to comply with accreditation requirements by the required dates shall have its approval to offer degree programs automatically
7 suspended.

8 Institutional Representative Initials: _____ Student Initials: _____

9 Date: _____ Date: _____”

10 (b) The student and an institutional representative shall initial and date the notice prior to executing an enrollment agreement. An initialed copy of the notice shall be given to the student and the original shall be retained in the enrolled student's records.

12 (c) The notice shall also be posted immediately preceding or following as to clearly pertain to the description of the degree program, including, but not limited to, one or more of the following; admissions requirements, length of program, courses offered or areas of focus. Such notice shall be included, at a minimum, in the following locations:

- 13 (1) The institution's catalog where each degree program is described.
14 (2) The institution's website where each degree program is described.
15 (3) The institution's degree program brochures.”

16
17
18
19 31. California Code of Regulations, title 5, section 71770 states:

20 “(a) The institution shall establish specific written standards for student admissions for each educational program. These standards shall be related to the particular educational program. An institution shall not admit any student who is obviously unqualified or who does not appear to have a reasonable prospect of completing the program. In addition to any specific standards for an educational program, the admissions standards must specify as applicable that:

21 (1) Each student admitted to an undergraduate degree program, or a diploma program, shall possess a high school diploma or its equivalent, or otherwise successfully take and pass the relevant examination as required by section 94904 of the Code.

22 (2) Each student admitted into a post-baccalaureate degree program shall possess a bachelor's degree or its equivalent. If a graduate program leads to a profession or an occupation 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.

1 (b) The institution shall specify the maximum credit it will transfer from
2 another institution for each educational program, and the basis upon which the
3 transferred credit will be awarded.

4 (1) Except as limited by subdivision (c) of this section, a maximum of 75
5 percent of the units or credit that may be applied toward the award of a bachelor's
6 degree may be derived from a combination of any or both of the following:

7 (A) Units earned at institutions approved by the Bureau, public or private
8 institutions of higher learning accredited by an accrediting association recognized by
9 the U. S. Department of Education, or any institution of higher learning, including
10 foreign institutions, if the institution offering the undergraduate program documents
11 that the institution of higher learning at which the units were earned offers degree
12 programs equivalent to degree programs approved by the Bureau or accredited by an
13 accrediting association recognized by the U.S. Department of Education;

14 (B) Challenge examinations and standardized tests such as the College
15 Level Placement Tests (CLEP) for specific academic disciplines.

16 (2) No more than 20% of graduate semester units or the equivalent in
17 other units awarded by another institution may be transferred for credit toward a
18 Master's degree. An institution may accept transfer credits only from the institutions
19 of higher learning described in subsection (1)(A).

20 (3) No more than 30 graduate semester credits or its equivalent awarded
21 by another institution may be credited toward a doctoral degree. This subdivision
22 does not apply to graduate programs that lead to a profession or an occupation
23 requiring state licensure where the licensing agency has a regulation permitting a
24 different standard.

25 (c) If credit for prior experiential learning is to be granted, the policy for
26 granting such credit shall be included in the institution's catalog.

27 (1) An institution may grant credit to a student for prior experiential
28 learning only if:

(A) The prior learning is equivalent to a college or university level of
learning;

(B) The learning experience demonstrates a balance between theory and
practice and;

(C) The credit awarded for the prior learning experience directly relates to
the student's degree program and is applied in satisfaction of some of the degree
requirements.

(2) Each college or university level learning experience for which credit
is sought shall be documented by the student in writing.

(3) Each college or university level learning experience shall be evaluated
by faculty qualified in that specific subject area who shall ascertain (1) to what
college or university level learning the student's prior experience is equivalent and (2)
how many credits toward a degree may be granted for that experience.

(4) The faculty evaluating the prior learning shall prepare a written report
indicating all of the following:

1 (A) The documents in the student's record on which the faculty member
relied in determining the nature of the student's prior experience;

2 (B) The bases for determining that the prior experience (i) is equivalent to
3 college or university level learning and (ii) demonstrates a balance between theory
and practice; and

4 (C) The bases for determining (i) to what college or university level the
5 experience is equivalent and (ii) the proper number of credits to be awarded toward
the degree for that experience.

6 (5)(A) The institution shall designate at least one administrator to be
7 responsible for the review of faculty determinations regarding the award of credit for
prior experiential learning.

8 (B) The administrator shall document the institution's periodic review of
9 faculty evaluations to assure that the faculty written evaluations and awards of credit
comply with this section and the institution's policies and are consistent.

10 (6) The amount of credit awarded for prior experiential learning shall not
11 be related to the amount charged the student for the assessment process.

12 (7)(A) Of the first 60 semester credits awarded a student in an
13 undergraduate program, no more than 15 semester credits may be awarded for prior
experiential learning.

14 (B) Of the second 60 semester units (i.e., credits 61 to 120) awarded a
15 student in an undergraduate program, no more than 15 semester credits may be
awarded for prior experiential learning.

16 (C) Of the first 30 semester credits awarded a student in a graduate
17 program, no more than 6 semester credits may be awarded for prior experiential
learning.

18 (D) Of the second 30 semester credits (i.e., credits 31 to 60) awarded a
19 student in a graduate program, no more than 3 semester credits may be awarded for
prior experiential learning.

20 (E) No credit for experiential learning may be awarded after a student has
obtained 60 semester credits in a graduate program.”

21
22 32. California Code of Regulations, title 5, section 76215 states, in pertinent part:

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

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

1 You are not eligible for protection from the STRF and you are not
2 required to pay the STRF assessment, if you are not a California resident, or are not
3 enrolled in a residency program.'

4 (b) In addition to the statement required under subdivision (a) of this
5 section, a qualifying institution shall include the following statement in its school
6 catalog:

7 'It is important that you keep copies of your enrollment agreement,
8 financial aid documents, receipts, or any other information that documents the
9 amount paid to the school. Questions regarding the STRF may be directed to the
10 Bureau for Private Postsecondary Education, 2535 Capitol Oaks Drive, Suite 400,
11 Sacramento, CA 95833, (916) 431-6959 or (888) 370-7589.

12 To be eligible for STRF, you must be a California resident or enrolled in
13 a residency program, prepaid tuition, paid or deemed to have paid the STRF
14 assessment, and suffered an economic loss as a result of any of the following:

15 1. The institution, a location of the institution, or an educational program
16 offered by the institution was closed or discontinued, and you did not choose to
17 participate in a teach-out plan approved by the Bureau or did not complete a chosen
18 teach-out plan approved by the Bureau.

19 2. You were enrolled at an institution or a location of the institution
20 within the 120 day period before the closure of the institution or location of the
21 institution, or were enrolled in an educational program within the 120 day period
22 before the program was discontinued.

23 3. You were enrolled at an institution or a location of the institution more
24 than 120 days before the closure of the institution or location of the institution, in an
25 educational program offered by the institution as to which the Bureau determined
26 there was a significant decline in the quality or value of the program more than 120
27 days before closure.

28 4. The institution has been ordered to pay a refund by the Bureau but has
failed to do so.

5. The institution has failed to pay or reimburse loan proceeds under a
federal student loan program as required by law, or has failed to pay or reimburse
proceeds received by the institution in excess of tuition and other costs.

6. You have been awarded restitution, a refund, or other monetary award
by an arbitrator or court, based on a violation of this chapter by an institution or
representative of an institution, but have been unable to collect the award from the
institution.

7. You sought legal counsel that resulted in the cancellation of one or
more of your student loans and have an invoice for services rendered and evidence of
the cancellation of the student loan or loans.

To qualify for STRF reimbursement, the application must be received
within four (4) years from the date of the action or event that made the student
eligible for recovery from STRF.

A student whose loan is revived by a loan holder or debt collector after a
period of noncollection may, at any time, file a written application for recovery from

1 STRF for the debt that would have otherwise been eligible for recovery. If it has been
2 more than four (4) years since the action or event that made the student eligible, the
student must have filed a written application for recovery within the original four (4)
year period, unless the period has been extended by another act of law.

3 However, no claim can be paid to any student without a social security
4 number or a taxpayer identification number.”

5 33. California Code of Regulations, title 5, section 71750 states, in pertinent part:

6 “(a) Every institution shall make refunds that are no less than the refunds
required under the Act and this Division.

7 (b) An institution may not enforce any refund policy that is not specified
8 in the catalog as required pursuant to section 94909(a)(8)(B) of the Code, and must
9 refund all institutional charges upon a student's withdrawal. Withdrawal policy
10 procedures pursuant to section 94909(a)((8)(B) of the Code shall include, at a
11 minimum: the acceptable methods of delivery of a notice to withdraw; whether
withdrawal can be accomplished by conduct, and if so, how; the position or positions
to whom the notice to withdraw must be delivered; and the date that the notice to
withdraw is considered effective, which shall be no later than the date received by the
institution.

12 (c) A pro rata refund pursuant to section 94919(c) or 94920(d) or 94927
13 of the Code shall be no less than the total amount owed by the student for the portion
of the educational program provided subtracted from the amount paid by the student,
14 calculated as follows:

15 (1) The amount owed equals the daily charge for the program (total
16 institutional charge, divided by the number of days or hours in the program),
multiplied by the number of days student attended, or was scheduled to attend, prior
to withdrawal.

17 (2) Except as provided for in subdivision (a)(3) of this section, all
18 amounts paid by the student in excess of what is owed as calculated in subdivision
(a)(1) shall be refunded.

19 (3) Except as provided herein, all amounts that the student has paid shall
20 be subject to refund unless the enrollment agreement and the refund policy outlined in
the catalog specify amounts paid for an application fee or deposit not more than
21 \$250.00, books, supplies, or equipment, and specify whether and under what
circumstances those amounts are non-refundable. Except when an institution provides
22 a 100% refund pursuant to section 94919(d) or section 94920(b) of the Code, any
assessment paid pursuant to section 94923 of the Code is non-refundable.

23 (4) For purposes of determining a refund under the Act and this section, a
24 student shall be considered to have withdrawn from an educational program when he
or she withdraws or is deemed withdrawn in accordance with the withdrawal policy
25 stated in its catalog.

26 (d) If an institution has collected money from a student for transmittal on
the student's behalf to a third party for a bond, library usage, or fees for a license,
27 application, or examination and the institution has not paid the money to the third
party at the time of the student's withdrawal or cancellation, the institution shall
28 refund the money to the student within 45 days of the student's withdrawal or
cancellation.

1 (e) An institution shall refund any credit balance on the student's account
2 within 45 days after the date of the student's completion of, or withdrawal from, the
educational program in which the student was enrolled. For purposes of this
subdivision and section 94919(d) of the Code, "day" means calendar day.

3 (f) The institution shall maintain a cancellation and withdrawal log, kept
4 current on a monthly basis, which shall include the names, addresses, telephone
5 numbers, and dates of cancellations or withdrawal of all students who have cancelled
the enrollment agreement with, or withdrawn from, the institution during the calendar
year."

6 34. California Code of Regulations, title 5, section 71920 states, in pertinent part:

7 "(a) The institution shall maintain a file for each student who enrolls in
8 the institution whether or not the student completes the educational service.

9 (b) In addition to the requirements of section 94900, the file shall contain
all of the following pertinent student records:

10 (1) Written records and transcripts of any formal education or training,
11 testing, or experience that are relevant to the student's qualifications for admission to
the institution or the institution's award of credit or acceptance of transfer credits
12 including the following:

13 (A) Verification of high school completion or equivalency or other
documentation establishing the student's ability to do college level work, such as
14 successful completion of an ability-to-benefit test;

15 (B) Records documenting units of credit earned at other institutions that
16 have been accepted and applied by the institution as transfer credits toward the
student's completion of an educational program;

17 (C) Grades or findings from any examination of academic ability or
educational achievement used for admission or college placement purposes;

18 (D) All of the documents evidencing a student's prior experiential
19 learning upon which the institution and the faculty base the award of any credit;

20 (2) Personal information regarding a student's age, gender, and ethnicity
if that information has been voluntarily supplied by the student;

21 (3) Copies of all documents signed by the student, including contracts,
22 instruments of indebtedness, and documents relating to financial aid;

23 (4) Records of the dates of enrollment and, if applicable, withdrawal from
the institution, leaves of absence, and graduation; and

24 (5) In addition to the requirements of section 94900(b) of the Code, a
25 transcript showing all of the following:

26 (A) The courses or other educational programs that were completed, or
were attempted but not completed, and the dates of completion or withdrawal;

27 (B) Credit awarded for prior experiential learning, including the course
28 title for which credit was awarded and the amount of credit;

1 (C) Credit for courses earned at other institutions;

2 (D) Credit based on any examination of academic ability or educational
3 achievement used for admission or college placement purposes;

4 (E) The name, address, website address, and telephone number of the
5 institution.

6 (6) For independent study courses, course outlines or learning contracts
7 signed by the faculty and administrators who approved the course;

8 (7) The dissertations, theses, and other student projects submitted by
9 graduate students;

10 (8) A copy of documents relating to student financial aid that are required
11 to be maintained by law or by a loan guarantee agency;

12 (9) A document showing the total amount of money received from or on
13 behalf of the student and the date or dates on which the money was received;

14 (10) A document specifying the amount of a refund, including the amount
15 refunded for tuition and the amount for other itemized charges, the method of
16 calculating the refund, the date the refund was made, and the name and address of the
17 person or entity to which the refund was sent;

18 (11) Copies of any official advisory notices or warnings regarding the
19 student's progress; and

20 (12) Complaints received from the student.”

21 35. California Code of Regulations, title 5, section 71930 states, in pertinent part:

22 “(a) An institution shall maintain all records required by the Act and this
23 chapter. The records shall be maintained in this state.

24 (b)(1) In addition to permanently retaining a transcript as required by
25 section 94900(b) of the Code, the institution shall maintain for a period of 5 years the
26 pertinent student records described in Section 71920 from the student's date of
27 completion or withdrawal.

28 (2) Notwithstanding (b)(1), the institution shall maintain records relating
to federal financial aid programs as provided by federal law.

(c) A record is considered current for three years following a student's
completion or withdrawal. A record may be stored on microfilm, microfiche,
computer disk, or any other method of record storage only if all of the following
apply:

(1) The record may be stored without loss of information or legibility for
the period within which the record is required to be maintained by the Act;

(2) For a record that is current, the institution maintains functioning
devices that can immediately reproduce exact, legible printed copies of stored
records. The devices shall be maintained in reasonably close proximity to the stored
records at the institution's primary administrative location in California. For a record

1 that is no longer current, the institution shall be able to reproduce exact, legible
2 printed copies within two (2) business days.

3 (3) The institution has personnel scheduled to be present at all times
4 during normal business hours who know how to operate the devices and can explain
5 the operation of the devices to any person authorized by the Act to inspect and copy
6 records; and

7 (4) Any person authorized by the Act or this chapter to inspect and copy
8 records shall be given immediate access to the document reproduction devices for the
9 purpose of inspecting and copying stored records and shall, upon request, reimburse
10 the institution for the reasonable cost of using the institution's equipment and material
11 to make copies at a rate not to exceed ten cents (\$.10) per page.

12 (d) The institution shall maintain a second set of all academic and
13 financial records required by the Act and this chapter at a different location unless the
14 original records, including records stored pursuant to subdivision (b) of this section,
15 are maintained in a manner secure from damage or loss. An acceptable manner of
16 storage under this subsection would include fire resistant cabinets.

17 (e) All records that the institution is required to maintain by the Act or
18 this chapter shall be made immediately available by the institution for inspection and
19 copying during normal business hours by the Bureau and any entity authorized to
20 conduct investigations.

21 (f) If an institution closes, the institution and its owners are jointly and
22 severally responsible to arrange at their expense for the storage and safekeeping in
23 California of all records required to be maintained by the Act and this chapter for as
24 long as those records must be maintained. The repository of the records shall make
25 these records immediately available for inspection and copying, without charge
26 except as allowed under subdivision (c)(4) of this section, during normal business
27 hours by any entity authorized by law to inspect and copy records.”

28 36. California Code of Regulations, title 5, section 74112 states, in pertinent part:

“(a) Format. The format for the Performance Fact Sheet shall be in at
least 12 pt. type, in an easily readable font, with 1.15 line spacing and all titles and
column headings shall be in bold 14 pt. type, which shall also identify the program
for which the Performance Fact Sheet pertains. The Performance Fact Sheet shall
contain all and only the information required or specifically permitted by sections
94910 and 94929.5 of the Code or this chapter. A separate Performance Fact Sheet
shall be prepared for each program.”

37. California Code of Regulations, title 5, section 74110 states, in pertinent part:

“(a) The annual report required by Section 94934 of the Code shall
include the information required by sections 94929.5 and 94934 for all educational
programs offered in the prior calendar year, and all of the following for the prior
calendar year:

(1) Information regarding institutional branch campuses, including
addresses and programs offered at each campus, if applicable;

(2) Information regarding satellite locations, including addresses and with
which campus(es) the satellite location is affiliated, if applicable;

1 (3) Name of institutional accreditors for each branch and satellite campus,
2 and for each such campus at which any programs have programmatic accreditation,
3 the names of the programmatic accreditor for each such program, and effective dates
4 for each programmatic accreditation, if applicable;

5 (4) Information regarding participation in state and federal student loan
6 and grant programs, including the total amount of funding received from each source
7 for those students enrolled in an approved California school regardless of their state
8 of residency;

9 (5) Information regarding participation in other public funding programs,
10 including the amount of funding received from each public funding source; for
11 purposes of this section, public funding is any financial aid paid on behalf of students
12 or directly to an institution from any public source, such as the Workforce Investment
13 Act, any veterans' financial aid programs pursuant to Section 21.4253 of Title 38 of
14 the Code of Federal Regulations or any other financial aid program that is intended to
15 help students pay education-related expenses, including tuition, fees, room and board,
16 and supplies for education; and

17 (6) The total percentage of institutional income that comes from any
18 public funding sources.

19 (b) In addition to the information required by section 94934 and this
20 section provided under penalty of perjury, the institution shall have annual financial
21 statements prepared for the institution's prior fiscal year and signed under penalty of
22 perjury, and shall submit a hard copy under separate cover of such statements in
23 conjunction with its annual report. The form, content and mode of preparation of
24 financial statements shall comply with Section 74115 of this Division. The Bureau
25 may request that the institution immediately make available for inspection to a
26 representative of the Bureau, these financial statements at the offices of the
27 institution.

28 (c) An institution shall file its annual report by December 1st. The Bureau
may extend the period for filing if the institution demonstrates evidence of substantial
need but in no case longer than 60 days. The institution shall not change the date of
its filing its annual report because of a change in the fiscal year without the Bureau's
approval.

(d) The annual report shall be electronically filed by submitting the
information required by section 94934 of the Code and this section via the online
form provided on the Bureau's website, electronically attaching, as directed, the
School Performance Fact Sheet, the enrollment agreement, and the school catalog.”

38. California Code of Regulations, title 5, section 76120 states:

“(a) Each qualifying institution shall collect an assessment of zero dollars
(\$0) per one thousand dollars (\$1,000) of institutional charges, rounded to the nearest
thousand dollars, from each student in an educational program who is a California
resident or is enrolled in a residency program. For institutional charges of one
thousand dollars (\$1,000) or less, the assessment is zero dollars (\$0).”

39. California Code of Regulations, title 5, section 76130 states:

“(a)(1) A qualifying institution shall collect the assessment from each
student in an educational program at the time it collects the first payment from or on
behalf of the student at or after enrollment. The assessment shall be collected for the

1 entire period of enrollment, regardless of whether the student pays the institutional
2 charges in increments.

3 (2) The assessment to be collected from a re-enrolling student shall be
4 limited to any amount that is due after crediting any prior assessment amount paid by
5 the student. The enrollment agreement shall clearly identify any prior STRF
6 assessment paid by the student.

7 (b) A qualifying institution shall complete the STRF Assessment report
8 and remit it with the STRF assessments collected from students to be received by the
9 Bureau no later than the last day of the month following the close of the quarter as
10 follows:

- 11 (1) April 30 for the first quarter,
- 12 (2) July 31 for the second quarter,
- 13 (3) October 31 for the third quarter, and
- 14 (4) January 31 for the fourth quarter.

15 If the due date falls on a Saturday, Sunday, or State or federal holiday, the
16 due date shall be extended to the next regular business day for the Bureau.

17 (c) The STRF Assessment report shall contain the following information:

- 18 (1) Total number of students who signed enrollment agreements for
19 educational programs during the reporting period; and
- 20 (2) Total number of students eligible for STRF who signed enrollment
21 agreements for educational programs during the reporting period; and
- 22 (3) The total number of students who signed their enrollment agreement
23 during the reporting period, were eligible for STRF, and who made their first
24 payment during the reporting period; and
- 25 (4) The total number of students who signed their enrollment agreement
26 in a previous reporting period, were eligible for STRF, and who made their first
27 payment during the current reporting period; and
- 28 (5) Total amount of institutional charges after rounding each student's
institutional charges to the nearest \$1,000, for all eligible STRF students whose STRF
assessment was collected in the reporting period; and
- (6) Current contact telephone number of the person preparing the form;
and

(7) A declaration dated and signed under penalty of perjury by the person
preparing the form that the form and any attachments are true and correct.

(d) In the event of a school closure, any collected assessments shall be
remitted to the Bureau within seven days following the cessation of instruction.

(e) Submission of all prior reports and assessments required by this
section is a condition of renewal.”

1 40. California Code of Regulations, title 5, section 74000 states:

2 “(a) An institution shall pay the fees established by Article 17 of the Act.
3 A failure to include a fee with an application or other request renders the application
or request incomplete.

4 (b) All fees lawfully collected are non-refundable.

5 (c) A fee that is not paid timely is subject to penalty as set forth in section
6 94931 of the Code.

7 (d) The Bureau shall deny a renewal of an approval to operate if the
institution fails to submit at the time it files its application for renewal of an approval
8 to operate: all unpaid fees; penalty fees; penalties; orders for reimbursement of costs
and expenses; and assessments for, and reimbursement of all payments made to
9 students from, the Student Tuition Recovery Fund.

10 (e)(1) If an institution fails to pay any fee and any penalty fees timely, the
Bureau may initiate proceedings to revoke the institution's approval to operate for
11 failure to pay fees.

12 (2) Any proceeding to revoke an institution's approval to operate is
subject to the provisions of Chapter 5 of the Administrative Procedures Act. If a
13 hearing is requested, it shall be limited to the issues of whether any fee or penalty was
owed and, if so, whether the fee or penalty were paid when originally due.

14 (3) The procedure specified in this subdivision is cumulative to any other
15 right or remedy the Bureau may invoke against an institution which fails to pay its
annual fee or a penalty fee when originally due. Nothing in this subdivision restricts
16 the Bureau's authority to bring other administrative or judicial action against an
institution that fails to pay its fees when due.

17 (4) An institution whose approval to operate was revoked because of
18 nonpayment of an annual fee or penalty fee may seek to obtain approval to operate
only by filing an application for a new approval to operate.”

19 41. California Code of Regulations, title 5, section 74006 states:

20 “(a) An institution's annual fee is due within 30 days of the date on which
the institution originally receives its approval to operate and each year thereafter on
21 the anniversary of the date of the original approval.

22 (b) An institution shall pay its annual fee in addition to any other
applicable fees.

23 (c) The annual institutional fee is based on the institution's annual
24 revenue. For purposes of this article, annual revenue is annual gross revenue.”

25 42. California Code of Regulations, title 5, section 71120 states:

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

1 incorporation and bylaws.”

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

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

6 **FIRST CAUSE FOR DENIAL OF APPLICATION**

7 **(Administration)**

8 44. Respondent's application is subject to denial under section 94885, subdivision (a)(5)
9 of the Code, and California Code of Regulations, title 5, section 71730, subdivision (f) in that
10 Respondent did not provide evidence that it employs administrative personnel who have the
11 expertise to ensure the achievement of Respondent’s mission and objectives and the operation of
12 the educational programs because it did not submit a complete curriculum vitae of the Chief
13 Operating Officer and the Chief Executive Officer.

14 **SECOND CAUSE FOR DENIAL OF APPLICATION**

15 **(Enrollment Agreement)**

16 45. Respondent's application is subject to denial under section 94902 of the Code in that
17 Respondent did not submit an Enrollment Agreement (EA) that included all of the required
18 information and disclosures as mandated by section 94911 of the Code and California Code of
19 Regulations, title 5, section 71800. The missing information included the following:

- 20 • The name of the educational program, including the total number of credit hours,
21 clock hours, or other increment required to complete the educational program, per
22 California Education Code section 94911 (a).
- 23 • Period Covered by the Enrollment Agreement; per California Code of Regulations,
24 per title 5, section 71800 (b).
- 25 • Program Start Date and Scheduled Completion Date, per California Code of
26 Regulations, title 5, section 71800 (c)
- 27 • Required STRF information, per California Code of Regulations, title 5, section
28 76215 (a).

- 1 • Required language “or, the seventh day after enrollment, whichever is later, per
- 2 California Education Code section 94911 (e)(1).
- 3 • Required statement in the School catalog concerning transferability of credits and
- 4 credentials earned per California Education Code section 94909 (a)(15).
- 5 • A line for the student is needed, per California Education Code 94911 (i)(1)(2).
- 6 • If applicable, a statement on loans to students, per California Education Code section
- 7 94916.

8 46. Respondent's application is subject to denial under California Code of Regulations,
9 title 5, section 71800, subdivision (d) in that Respondent did not include the date by which the
10 student must exercise his or her right to cancel or withdraw and the refund policy on the EA.

11 47. Respondent's application is subject to denial under California Code of Regulations,
12 title 5, section 71800, subdivision (e) in that Respondent did not include mandatory information
13 regarding an itemization of all institutional charges and fees including, the non-refundable
14 registration and Student Tuition Recovery Fund fees and applicable fees outlined in Respondent's
15 catalog in the EA.

16 48. Respondent's application is subject to denial under section 94911, subdivision (b) of
17 the Code in that the EA did not include mandatory information regarding a schedule of total
18 charges (including a list of any charges that are nonrefundable and the student's obligations to the
19 Student Tuition Recovery Fund) clearly identified as nonrefundable charges.

20 49. Respondent's application is subject to denial under section 94911, subdivision (c) of
21 the Code in that the EA did not include mandatory information regarding the total charges for the
22 current period of attendance, the estimated total charges for the entire educational program, and
23 the total charges the student is obligated to pay upon enrollment.

24 **THIRD CAUSE FOR DENIAL OF APPLICATION**

25 **(Instruction and Degrees Offered)**

26 50. Respondent's application is subject to denial under section 94893 of the Code in that
27 Respondent failed to obtain prior authorization to make a substantive change to its approval to
28 operate. Specifically, Respondent listed two unapproved degree programs, the Bachelor of

1 Theology and Master of Arts, in the catalog and School Performance Fact Sheet (SPFS), without
2 obtaining prior authorization from the Bureau to offer such educational programs to the public.

3 51. Respondent's application is subject to denial under California Code of Regulations,
4 title 5, section 71715, subdivision (b) and section 71850, subdivision (a) in that Respondent did
5 not provide evidence to document that the instruction offered leads to the achievement of the
6 learning objectives of each course. Specifically, Respondent failed to provide documentation
7 regarding the admission requirements, information regarding the ability-to-benefit examination,
8 the types and amount of general education required, the title of the educational programs and
9 other components of instruction offered, graduation requirements, and identifying each
10 occupation and job title to which each educational program is represented to lead. Further,
11 Respondent has not demonstrated that its undergraduate degree program meets the minimum
12 requirements appropriate to the level and type of degree given.

13 **FOURTH CAUSE FOR DENIAL OF APPLICATION**

14 **(Educational Programs)**

15 52. Respondent's application is subject to denial under section 94885, subdivision (a)(1)
16 of the Code and California Code of Regulations, title 5, section 71710 in that Respondent is in
17 violation of the minimum operating standard because it did not provide evidence that the contents
18 of the educational program can achieve its stated objective(s) nor has it demonstrated that it
19 created syllabi that complies with all of the mandatory provisions pursuant to California Code of
20 Regulations, title 5, section 71710, subdivision (c).

21 53. Respondent's application is subject to denial under California Code of Regulations,
22 title 5, section 71865 in that Respondent has not provided evidence that any of its graduate-level
23 degree program curricula meets the minimum educational requirements that are necessary to
24 confer a graduate degree. Specifically, Respondent failed to fully comply with the mandatory
25 provisions pursuant to California Code of Regulations, title 5, section 71865 with respect to its
26 graduate degree programs in Master of Arts in Ministry, Master of Arts in Divinity, and Doctor of
27 Ministry.

28 54. Respondent's application is subject to denial under California Code of Regulations,

1 title 5, section 71710, subdivision (d) in that Respondent has not demonstrated that it provides
2 sufficient library and other learning resources to meet and support the instructional needs of
3 students that conduct academic research at the Bachelor's level.

4 **FIFTH CAUSE FOR DENIAL OF APPLICATION**

5 **(Faculty)**

6 55. Respondent's application is subject to denial under section 94885, subdivision (a)(5)
7 of the Code and California Code of Regulations title 5, section 71720, subdivision (a) in that
8 Respondent provided insufficient evidence that it contracted with duly qualified faculty and failed
9 to demonstrate that it maintains records documenting that each faculty member is duly qualified
10 and was qualified to perform the duties to which the faculty member was assigned, including
11 providing instruction and evaluating learning outcomes.

12 56. Respondent's application is subject to denial under California Code of Regulations,
13 title 5, section 71720, subdivision (a)(2) in that Respondent failed to demonstrate that it
14 developed and implemented written policies and procedures providing for the participation by
15 duly qualified faculty in conducting of research, development of curricula, academic planning,
16 enforcement of standards of academic quality, pursuit of academic matters related to
17 Respondent's mission and objectives, establishment of criteria for contracting with new faculty,
18 and evaluation of faculty credentials.

19 57. Respondent's application is subject to denial under California Code of Regulations,
20 title 5, section 71720, subdivision (a)(3) in that Respondent failed to demonstrate that it employs
21 a sufficient number of faculty members to provide instruction in its educational programs.

22 **SIXTH CAUSE FOR DENIAL OF APPLICATION**

23 **(Catalog)**

24 58. Respondent's application is subject to denial under California Code of Regulations,
25 title 5, section 71810, subdivision (b)(1) in that Respondent did not include the minimum
26 requirements for a school catalog because Respondent did not include the specific beginning and
27 end dates defining the time period covered by the catalog.

28

1 59. Respondent's application is subject to denial under section 94909, subdivision (a)(2)
2 of the Code in that Respondent did not include the minimum requirements for a school catalog
3 because Respondent did not include a statement in its catalog that Respondent is a private
4 institution, Respondent did not include a statement in its catalog that it is approved to operate by
5 the Bureau, and Respondent did not include a clear and conspicuous statement that approval to
6 operate means compliance with state standards as set forth in this chapter.

7 60. Respondent's application is subject to denial under section 94909, subdivision (a)(12)
8 of the Code in that Respondent did not include the minimum requirements for a school catalog
9 because Respondent did not include a statement in its catalog specifying all components of the
10 required bankruptcy disclosure.

11 61. Respondent's application is subject to denial under California Code of Regulations,
12 title 5, section 71810, subdivision (b)(9) in that Respondent did not include the minimum
13 requirements for a school catalog because Respondent did not include a description of the
14 facilities and of the types of equipment and materials that will be used for instruction.

15 62. Respondent's application is subject to denial under California Code of Regulations,
16 title 5, section 71810, subdivision (b)(10) in that Respondent did not include the minimum
17 requirements for a school catalog because Respondent did not include a description of library and
18 other learning resources and the procedures for students to access those resources.

19 63. Respondent's application is subject to denial under section 94909, subdivision
20 (a)(3)(A) of the Code in that Respondent did not include the minimum requirements for a school
21 catalog because Respondent did not include the specific required language directing students to
22 the Bureau for unanswered questions.

23 64. Respondent's application is subject to denial under section 94909, subdivision
24 (a)(3)(B) of the Code in that Respondent did not include the minimum requirements for a school
25 catalog because Respondent did not include specific required language encouraging students to
26 review the catalog and the School Performance Fact Sheet prior to signing an enrollment
27 agreement.

28 65. Respondent's application is subject to denial under section 94909, subdivision

1 (a)(3)(C) of the Code in that Respondent did not include the minimum requirements for a school
2 catalog because Respondent did not include specific required language referring individuals
3 wishing to file a complaint about Respondent to the Bureau.

4 66. Respondent's application is subject to denial under section 94909, subdivision (a)(15)
5 of the Code in that Respondent did not include the minimum requirements for a school catalog
6 because Respondent did not include specific required language in its catalog that addresses
7 transferability of credits and credentials.

8 67. Respondent's application is subject to denial under California Code of Regulations,
9 title 5, section 71775.5, subdivisions (a) and (c)(1), in that Respondent failed to provide students
10 with the Notice to Prospective Degree Program Students disclosure where each degree program is
11 described and failed to include the dates by which Respondent is required to achieve pre-
12 accreditation and full accreditation.

13 68. Respondent's application is subject to denial under section 94909, subdivision
14 (a)(8)(A) of the Code and California Code of Regulations, title 5, section 71770, subdivisions (a)
15 and (b) in that Respondent failed to include the minimum requirements for a school catalog
16 because Respondent did not include a detailed description of institutional policies in admission
17 policies, admissions requirements for ability-to-benefit students, and a list describing any transfer
18 or articulation agreements. Moreover, Respondent did not disclose whether or not it had entered
19 into an articulation or transfer agreement with any other college or university.

20 69. Respondent's application is subject to denial under California Code of Regulations,
21 title 5, section 71810, subdivision (b)(7) and section 71770, subdivision (c) in that Respondent
22 did not include its policy on the award of credit for prior experiential learning experience,
23 including assessment policies and procedures, provisions for appeal, and all charges that a student
24 may be required to pay.

25 70. Respondent's application is subject to denial under California Code of Regulations,
26 title 5, section 71810, subdivision (b)(4) in that Respondent did not include language proficiency
27 information, including the level of English language proficiency required of students, the kind of
28 documentation of proficiency that will be accepted, whether English language services are

1 provide, and (if so) the nature of the service and its cost.

2 71. Respondent's application is subject to denial under California Code of Regulations,
3 title 5, section 71810, subdivision (b)(5) in that Respondent did not submit a catalog that included
4 information regarding whether or not any instruction will occur in a language other than English
5 and, if so, the level of proficiency required and the kind of documentation of proficiency that will
6 be accepted.

7 72. Respondent's application is subject to denial under section 94909, subdivision (a)(5)
8 of the Code in that Respondent did not include a description of the programs offered and a
9 description of the instruction provided in each of the courses offered by Respondent, the
10 requirements for completion of each program, including required courses, any final tests or
11 examinations, any required internships or externships, and the total number of credit hours, clock
12 hours, or other increments required for completion.

13 73. Respondent's application is subject to denial under section 94909, subdivision (a)(16)
14 and section 94897, subdivision (p) of the Code in that Respondent did not include in the catalog, a
15 statement specifying whether Respondent or any of its degree programs are accredited by an
16 accrediting agency recognized by the United States Department of Education, and further did not
17 disclose the known limitations of the degree.

18 74. Respondent's application is subject to denial under section 94909, subdivision (a)(9)
19 of the Code in that Respondent did not submit a catalog that contained a schedule of total charges
20 for a period of attendance and an estimated schedule of total charges for the entire educational
21 program.

22 75. Respondent's application is subject to denial under section 94909, subdivision (a)(14)
23 of the Code and California Code of Regulations, title 5, section 76215, subdivisions (a) and (b) in
24 that Respondent did not submit a catalog that contained the specific required language related to
25 the Student Tuition Recovery Fund (STRF). Specifically, the catalog did not include information
26 regarding a description of the student's rights and responsibilities with respect to the STRF, a
27 statement that specifies that it is a state requirement that a student who pays tuition is required to
28 pay a state-imposed assessment for the STRF, and a statement that describes the purpose and

1 operation of the STRF and the requirements for filing a claim against the STRF.

2 76. Respondent's application is subject to denial under section 94909, subdivision
3 (a)(8)(B) and section 94920, subdivisions (a), (b), and (d) of the Code, and California Code of
4 Regulations, title 5, section 71750 in that Respondent did not submit a catalog that contained a
5 withdrawal and refund policy that fully complies with the mandatory provisions.

6 77. Respondent's application is subject to denial under section 94909, subdivision (a)(6)
7 of the Code in that Respondent did not include information regarding whether or not the programs
8 are designed to lead to positions in a profession that require state licensure and what specific
9 licensed positions any program is designed to lead to.

10 78. Respondent's application is subject to denial under section 94909, subdivision (a)(7)
11 of the Code in that Respondent did not include each faculty member's individual qualifications in
12 its catalog.

13 79. Respondent's application is subject to denial under section 94909, subdivision (a)(10)
14 of the Code in that Respondent did not submit a catalog that contained a clear statement
15 indicating whether Respondent participates in federal and state financial aid programs, and, if so,
16 all consumer information that is required to be disclosed to the student pursuant to federal and
17 state financial aid programs.

18 80. Respondent's application is subject to denial under section 94909, subdivision (a)(11)
19 of the Code in that Respondent did not submit a catalog that contained the mandatory loan
20 disclosure information. Specifically, the catalog did not specify that, if a student obtains a loan to
21 pay for an educational program, the student will have to repay the full amount of the loan plus
22 interest, less the amount of any refund, and that if the student receives federal student financial
23 aid funds, the student is entitled to a refund of the money not paid from federal financial aid
24 funds.

25 81. Respondent's application is subject to denial under California Code of Regulations,
26 title 5, section 71810, subdivision (b)(6) in that Respondent did not provide a catalog that
27 includes Respondent's policies and practices regarding any form of financial aid. Specifically,
28 the catalog did not provide any details on what types of financial aid is provided, how students

1 may qualify, any consumer information which Respondent is required to disclose to the student
2 under any state or federal financial aid program, and any applicable payment options that are
3 available to students.

4 82. Respondent's application is subject to denial under section 94909, subdivision
5 (a)(8)(E) of the Code in that Respondent did not provide a catalog that includes Respondent's
6 leave of absence policy.

7 83. Respondent's application is subject to denial under California Code of Regulations,
8 title 5, section 71810, subdivision (b)(14) in that Respondent did not provide a catalog that
9 includes Respondent's policies on student rights, including the procedure for addressing student
10 grievances.

11 84. Respondent's application is subject to denial under section 94909, subdivision (a)(13)
12 of the Code in that Respondent did not provide a catalog that includes whether or not job
13 placement services are provided and a description of the nature and extent of the placement
14 services.

15 85. Respondent's application is subject to denial under California Code of Regulations,
16 title 5, section 71810, subdivisions (b)(13)(A), (b)(13)(B), and (b)(13)(C) in that Respondent did
17 not include the minimum requirements for a school catalog because Respondent failed to include
18 required housing information, including, whether the institution has dormitory facilities under its
19 control, the availability of housing located reasonably near the institution's facility and an
20 estimation of the approximate cost or range of cost of the housing, and if the institution has no
21 responsibility to find or assist a student in finding housing a clear and conspicuous statement so
22 indicating.

23 86. Respondent's application is subject to denial under section 94900 and section 94900.5
24 of the Code, and California Code of Regulations, title 5, section 71810, subdivision (b)(15),
25 section 71920, and section 71930 in that Respondent did not provide a catalog that contains
26 Respondent's policy on the retention of student and institutional record.

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SEVENTH CAUSE FOR DENIAL OF APPLICATION

(Website)

87. Respondent's application is subject to denial under section 94913, subdivision (a) of the Code and California Code of Regulations, title 5, section 74117 in that Respondent's website does not include a current school catalog..

EIGHTH CAUSE FOR DENIAL OF APPLICATION

(School Performance Fact Sheet)

88. The institution did not provide School Performance Fact Sheets for 2013 that are in compliance with regulatory requirements.

89. The institution did not provide School Performance Fact Sheets for 2014 that are in compliance with regulatory requirements. The SPFS has incorrect calculations. The graduation percentage is miscalculated. The SPFS is in the incorrect format.

90. The institution did not provide School Performance Fact Sheets for 2015 that are in compliance with regulatory requirements. The SPFS is in the incorrect format. The financials provided are missing the Cash Flow Statement and Balance Sheet.

NINTH CAUSE FOR DENIAL OF APPLICATION

(Annual Reports)

91. Respondent's application is subject to denial under section 94934, subdivision (a) of the Code and California Code of Regulations, title 5, section 74110 in that Respondent failed to submit the following:

- a) 2013 Annual Report: SPFS, catalog, and financial statements;
- b) 2014 Annual Report: SPFS, catalog, and financial statements;
- c) 2015 Annual Report: incorrect format; and
- d) 2016 Annual Report: inconsistent data.

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TENTH CAUSE FOR DENIAL OF APPLICATION

(Student Tuition Recovery Fund Assessments)


92. Respondent's application is subject to denial under California Code of Regulations, title 5, section 76120, subdivision (a) and 76130 in that Respondent failed to remit STRF assessments for all 4 quarters in 2010.

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 of California International Theological Seminary for an Approval to Operate an Institution Non-Accredited; and
2. Taking such other and further action as deemed necessary and proper.

DATED: 6/25/19


DR. MICHAEL MARION, JR.
Chief
Bureau for Private Postsecondary Education
Department of Consumer Affairs
State of California
Complainant

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