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

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

Case No. 1000735

13 **AC COLLEGE INC., D.B.A. AMERICAN**
14 **CENTURY COLLEGE; ALI MIRZAEI,**
15 **OWNER**

STATEMENT OF ISSUES

16 **Application for Renewal of Approval to**
Operate an Institution Non-Accredited

17 Respondent.

18
19 Complainant alleges:

20 PARTIES

- 21 1. Joanne Wenzel (Complainant) brings this Statement of Issues solely in her official
22 capacity as the Chief of the Bureau for Private Postsecondary Education, Department of
23 Consumer Affairs.
- 24 2. On or about January 3, 2014, the Bureau for Private Postsecondary Education
25 (Bureau) received an Application for Renewal of Approval to Operate an Institution Non-
26 Accredited (application number 26952) from AC College Inc., d.b.a. American Century College;
27 Ali Mirzaei, Owner (Respondent). On or about January 9, 2014, the Bureau issued a deficiency
28 letter to Respondent. On or about January 27, 2014, the Bureau received a response to its January

1 9, 2014 letter. On or about August 25, 2014, the Bureau received an updated Application for
2 Renewal of Approval to Operate. On or about October 2, 2014, the Bureau spoke with
3 Respondent regarding deficiencies in its application. On or about October 3 and 6 and November
4 7, the Bureau received further information from Respondent. On or about December 3, 2014, the
5 Bureau issued Respondent an additional deficiency letter. On or about January 6, 2015, the
6 Bureau received a response to its December 3, 2014 deficiency letter. On or about March 30,
7 2015, the Bureau issued Respondent a Notice of Denial of Application for Renewal of Approval
8 to Operate. On or about May 28, 2015, Respondent submitted to the Bureau a request for appeal
9 in an administrative hearing.

10 JURISDICTION

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

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

19 STATUTORY & REGULATORY PROVISIONS

20 5. Section 94885 states:

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

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

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

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

28 “(4) The institution maintains a withdrawal policy and provides refunds.

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

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

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

6 “(8) Adequate records and standard transcripts are maintained and are available to students.

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

9 “(b) Except as provided in Section 94855.1, an institution offering a degree must satisfy
10 one of the following requirements:

11 “(i) Accreditation by an accrediting agency recognized by the United States Department of
12 Education, with the scope of that accreditation covering the offering of at least one degree
13 program by the institution.

14 “(ii) An accreditation plan, approved by the bureau, for the institution to become fully
15 accredited within five years of the bureau's issuance of a provisional approval to operate to the
16 institution. The provisional approval to operate to an unaccredited degree-offering institution
17 shall be in compliance with Section 94885.5.”

18 6. Section 94902 states, in part:

19 “... ”

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

22 “... ”

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

28 “... ”

1 7. Section 94909 states, in part:

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

5 . . .

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

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

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

20 . . .

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

23 . . .

24 “(15) The following statement:

25 ‘NOTICE CONCERNING TRANSFERABILITY OF CREDITS AND CREDENTIALS
26 EARNED AT OUR INSTITUTION

27 ‘The transferability of credits you earn at (name of institution) is at the complete discretion
28 of an institution to which you may seek to transfer. Acceptance of the (degree, diploma, or

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

8”

9 8. Section 94910 states, in part:

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

14 “(a) Completion rates, as calculated pursuant to Article 16 (commencing with Section
15 94928).

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

20 . . .

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

23 (f) All of the following:

24 . . .

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

28”

1 9. Section 94911 states, in part:

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

3 “(a) The name of the institution and the name of the educational program, including the
4 total number of credit hours, clock hours, or other increment required to complete the educational
5 program.

6 ...

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

14 10. Section 94913 states, in part:

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

17 ...

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

20 ...

21 “(5) The institution’s most recent annual report submitted to the bureau.”

22 11. Section 94928 states:

23 “As used in this article, the following terms have the following meanings:

24 “(a) ‘Cohort population’ means the number of students that began a program on a cohort
25 start date.

26 “(b) ‘Cohort start date’ means the first class day after the cancellation period during which
27 a cohort of students attends class for a specific program.

28

1 “(c) ‘Graduates’ means the number of students who complete a program within 100 percent
2 of the published program length. An institution may separately state completion information for
3 students completing the program within 150 percent of the original contracted time, but that
4 information may not replace completion information for students completing within the original
5 scheduled time. Completion information shall be separately stated for each campus or branch of
6 the institution.

7 “(d) ‘Graduates available for employment’ means the number of graduates minus the
8 number of graduates unavailable for employment.

9 “(e)(1) ‘Graduates employed in the field’ means graduates who are gainfully employed in a
10 single position for which the institution represents the program prepares its graduates within six
11 months after a student completes the applicable educational program. For occupations for which
12 the state requires passing an examination, the period of employment shall begin within six
13 months of the announcement of the examination results for the first examination available after a
14 student completes an applicable educational program.

15 “(2) The bureau shall define by July 1, 2014, specific measures and standards for
16 determining whether a student is gainfully employed in a full-time or part-time position for which
17 the institution represents the program prepares its graduates, including self-employment or
18 conducting freelance work, and may set the standards for the hours per week and duration of
19 employment and utilize any job classification methodology the bureau determines appropriate for
20 this purpose, including, but not limited to, the United States Department of Labor’s Standard
21 Occupational Classification codes.

22 “(3) This subdivision does not prohibit the bureau from authorizing an institution to
23 aggregate single positions held by a graduate for purposes of meeting the hours per week
24 standards established by the bureau.

25 “(f) ‘Graduates unavailable for employment’ means graduates who, after graduation, die,
26 become incarcerated, are called to active military duty, are international students that leave the
27 United States or do not have a visa allowing employment in the United States, or are continuing
28 their education at an accredited or bureau-approved postsecondary institution.

1 “(g) ‘Students available for graduation’ means the cohort population minus the number of
2 students unavailable for graduation.

3 “(h) ‘Students unavailable for graduation’ means students who have died, been
4 incarcerated, or called to active military duty.”

5 12. Section 94929 states, in part:

6 “(a) An institution shall annually report to the bureau, as part of the annual report, and
7 publish in its School Performance Fact Sheet, the completion rate for each program. Except as
8 provided in subdivision (b), the completion rate shall be calculated by dividing the number of
9 graduates by the number of students available for graduation.

10”

11 13. Section 94929.5 states, in part:

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

14 “(1) The job placement rate, calculated by dividing the number of graduates employed in
15 the field by the number of graduates available for employment for each program that is either (1)
16 designed, or advertised, to lead to a particular career, or (2) advertised or promoted with any
17 claim regarding job placement.

18 . . .

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

22”

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

24 “. . .

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

1 ...

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

5 ”

6 15. Code of Regulations, title 5, section 71485 states:

7 “Failure of an institution to have made current payments of the assessments to the Student
8 Tuition Recovery Fund as required by chapter 7 of this Division, and annual fees as required by
9 chapter 5 of this Division shall render the institution ineligible for renewal.”

10 16. Code of Regulations, title 5, section 71745 states:

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

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

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

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

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

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

20 “(6) Maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the
21 end of the most recent fiscal year when using generally accepted accounting principles, or for an
22 institution participating in Title IV of the federal Higher Education Act of 1965, meet the
23 composite score requirements of the U.S. Department of Education. For the purposes of this
24 section, current assets does not include: intangible assets, including goodwill, going concern
25 value, organization expense, startup costs, long-term prepayment of deferred charges, and non-
26 returnable deposits, or state or federal grant or loan funds that are not the property of the
27 institution but are held for future disbursement for the benefit of students. Unearned tuition shall
28 be accounted for in accordance with general accepted accounting principles.

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

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

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

7 “(3) designates and maintains an agent for service of process, consistent with section
8 74190;

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

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

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

15 17. Code of Regulations, title 5, section 71750 states, in part:

16 “... ”

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

24 “... ”

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18. Code of Regulations, title 5, section 71800 states, in part:

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

“(a) The name and address of the institution and the addresses where instruction will be provided.

...

“(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:

...

“(3) equipment;

...

“(6) uniforms or other special protective clothing;

....”

19. Code of Regulations, title 5, section 71810, states in part:

...

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

...

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

....”

20. Code of Regulations, title 5, section 74000, subdivision (d) states:

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

5 21. Code of Regulations, title 5, section 74112 states:

6 “(a) Format. The format for the Performance Fact Sheet shall be in at least 12 pt. type, in an
7 easily readable font, with 1.15 line spacing. The Performance Fact Sheet shall contain all and
8 only the information required or specifically permitted by section 94910 of the Code or this
9 chapter.

10 “(b) In addition to the definitions contained in section 94928 of the Code:

11 “(1) ‘Number of Students Who Began Program’ means the number of students who began a
12 program who are scheduled to complete the program within 100% of the published program
13 length within the reporting calendar year, and includes all the students who remained enrolled
14 after their cancellation period.

15 “(2) ‘Number of Graduates’ means the number of students who completed the program
16 within 100% of the published program length within the reporting calendar year.

17 “(3) ‘Graduates Employed in the Field’ means those graduates who meet the definition of
18 section 94928(e) of the Code, who have reported their employment to the institution.

19 “(c) Reporting periods:

20 “(1) An Annual Report shall include data for all educational programs as defined in section
21 94837 of the Code for the previous one calendar year.

22 “(2) A Performance Fact Sheet shall be current and available not later than August 1st, and
23 shall report data for the previous two calendar years based upon the ‘number of students who
24 began program’ or the ‘number of graduates,’ as defined in subdivision (b), for each reported
25 calendar year.

26 “(d) Completion Rates. Reporting of completion rates for an institution's Annual Report and
27 Performance Fact Sheet shall include, for each educational program, the number of students who
28 began program as defined in subdivision (b), the number of students available for graduation,

1 number of graduates, and completion rate(s). An optional column may be added to include
 2 completion rate data for students completing within 101-150% of the published program length.
 3 For an institution reporting completion data pursuant to section 94929(b) of the Code, completion
 4 data shall be separately reported for each program. The Performance Fact Sheet shall disclose, if
 5 true, that the completion data is being reported for students completing within 150% of the
 6 published program length, and that data is not being separately reported for students completing
 7 the program within 100% of the published program length.

8 “Completion rates shall be included in the Performance Fact Sheet in a format substantially
 9 similar to the chart below, including the footnoted information below (dates, numbers, and other
 10 data shown are for example only):

11 “Completion Rates (includes data for the two calendar years prior to reporting)

12 “Name of Educational Program (Program Length)

| 13 <i>Calendar Year</i> | <i>Number of Students Who Began Program(1)</i> | <i>Students Available for Graduation(2)</i> | <i>Graduates(3)</i> | <i>Completion Rate(4)</i> |
|-------------------------|--|---|---------------------|---------------------------|
| 14 20XX | 100 | 98 | 70 | 71% |
| 15 20XY | 80 | 80 | 55 | 69% |

16 “Students Completing After Published Program Length - 150% Completion Rate

17 “Name of Educational Program (Program Length)

| 18 <i>Calendar Year</i> | <i>Number of Students Who Began Program(1)</i> | <i>Students Available for Graduation(2)</i> | <i>Graduates(5)</i> | <i>Completion Rate(6)</i> |
|-------------------------|--|---|---------------------|---------------------------|
| 19 20XX | 100 | 98 | 25 | 26% |
| 20 20XY | 80 | 80 | 23 | 29% |

21 “1 ‘Number of Students Who Began Program’ is the number of students who began the
 22 program who are scheduled to complete the program within the reporting calendar year.
 23

24 “2 ‘Students available for graduation’ is the number of students who began program minus
 25 the number of ‘Students unavailable for graduation,’ which means those students who have died,
 26 been incarcerated, or called to active military duty.

27 “3 ‘Graduates’ is the number of students who completed the program within 100% of the
 28 published program length.

1 “4 ‘Completion Rate’ is the number of Graduates divided by the Number of Students
2 Available for Graduation.

3 “5 ‘150% Graduates’ is the number of students who completed the program within 101-
4 150% of the published program length.

5 “6 ‘150% Completion Rate’ is the number of students who completed the program in the
6 reported calendar year within 101-150% of the published program length divided by the Number
7 of Students Available for Graduation in the published program length period.

8 “(e) Placement Rates.

9 “(1) Any placement data required by sections 94910(b) and 94929.5(a) of the Code shall be
10 reported for the number of students who began the program as defined in subdivision (b) for each
11 reported calendar year.

12 “(2) Placement is measured six months from the graduation date of each student. Reporting
13 of placement rates shall include for each educational program: the number of students who began
14 the program, the number of graduates as defined in subdivision (b), graduates available for
15 employment, graduates employed in the field and placement rate(s).

16 “(3) Placement rate shall be calculated as follows: the number of graduates employed in the
17 field as defined in subsection 74112(b)(3) divided by the number of graduates available for
18 employment as defined in section 94928(d) of the Code.

19 “(4) Graduates employed in the field shall be reported for those graduates employed in the
20 field in a single position that averages under 32 hours per week and those employed in the field in
21 a single position that averages at least 32 hours per week.

22 “References to the Code are to the California Education Code where the California Private
23 Postsecondary Education Act of 2009 is located.

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3 "Placement rates shall be included in the Performance Fact Sheet in a format substantially
4 similar to the chart below, including the footnoted information below (dates, numbers, and other
5 data shown are for example only):

6 "Placement Rates (includes data for the two calendar years prior to reporting)

7 "Name of Educational Program (Program Length)

| 8 9 10 11 12 | <i>Calendar Year</i> | <i>Number of Students Who Began Program(1)</i> | <i>Number of Graduates(2)</i> | <i>Graduates Available for Employment(3)</i> | <i>Graduates Employed in the Field(4)</i> | <i>Placement Rate % Employed in the Field(5)</i> | <i>Graduates Employed in the Field an average of less than 32 hours per week</i> | <i>Graduates Employed in the Field at least 32 hours per week</i> |
|--------------------------|----------------------|--|-------------------------------|--|---|--|--|---|
| 13 | 20XX | 100 | 70 | 70 | 55 | 79% | 5 | 50 |
| 14 | 20XY | 80 | 55 | 55 | 20 | 36% | 9 | 11 |

16 "1 'Number of Students Who Began Program' means the number of students who began the
17 program who are scheduled to complete the program within the reporting calendar year.

18 "2 'Number of Graduates' is the number of students who have completed the program
19 within 100% of the published program length.

20 "3 'Graduates available for employment' means the number of graduates minus the number
21 of graduates unavailable for employment. 'Graduates unavailable for employment' means
22 graduates who, after graduation, die, become incarcerated, are called to active military duty, are
23 international students that leave the United States or do not have a visa allowing employment in
24 the United States, or are continuing their education in an accredited or bureau-approved
25 postsecondary institution.

26 "4 'Graduates employed in the field' means graduates who report that they are gainfully
27 employed within six months of graduation in a position for which the skills obtained through the
28

1 education and training provided by the institution are required or provided a significant advantage
2 to the graduate in obtaining the position.

3 “5 Placement Rate is calculated by dividing the number of graduates gainfully employed in
4 the field by the number of graduates available for employment.

5 “(f) License Examination Passage Rates. If license examination passage rates are not
6 available from the appropriate state agency, an institution shall collect the information directly
7 from its graduates. If an institution demonstrates that, after reasonable efforts, it is unable to
8 obtain the examination passage information from its graduates, the institution shall report the
9 number of students it could not contact and note in a font the same size as the majority of the data
10 on the Performance Fact Sheet, ‘License examination passage data is not available from the state
11 agency administering the examination. We were unable to collect data from [enter the number]
12 graduates.’

13 “Reporting of license examination passage rates for the Annual Report and the Performance
14 Fact Sheet shall include, for each educational program: the number of students completing the
15 program within 150% of published program length in the reported year, the number of
16 documented graduates who passed the first examination, number of documented graduates who
17 failed the first examination, the number of graduates for whom data is not available. An optional
18 column may be added to separately report licensing examination data for students who take and
19 pass the exam after failing initially. The Annual Report shall also include a description of the
20 processes for attempting to contact those students.

21 “For licensing examinations that are not continuously administered, license examination
22 passage rates shall be included in the Performance Fact Sheet in a format substantially similar to
23 the chart below, including the footnoted information below (dates, numbers, and other data
24 shown are for example only):

25 “Examination Passage Rates (includes data for the two calendar years prior to reporting)

26 “Name of Educational Program (Program Length)

| <i>Number of Students Taking Exam(1)</i> | <i>Exam Date(2)</i> | <i>Number Who Passed Exam</i> | <i>Number Who Failed Exam</i> | <i>Passage Rate(3)</i> |
|--|---------------------|-------------------------------|-------------------------------|------------------------|
|--|---------------------|-------------------------------|-------------------------------|------------------------|

| | | | | | |
|---|-----|-----------|----|----|-----|
| 1 | 80 | 2/1/20XX | 40 | 40 | 50% |
| 2 | 100 | 6/1/20XX | 75 | 25 | 75% |
| 3 | 82 | 10/1/20XX | 68 | 14 | 76% |
| 4 | 80 | 2/1/20XY | 40 | 40 | 50% |
| 5 | 100 | 6/1/20XY | 70 | 30 | 70% |
| 6 | 92 | 10/1/20XY | 62 | 30 | 67% |

7 *“License examination passage data is not available from the state agency administering the*
8 *examination. We were unable to collect data from 32 graduates.*

9 “1 Number of Students Taking Exam is the number of students who completed the program
10 within 150% of published program length and for whom the reported exam is the first exam that
11 was available after their completion of the program.

12 “2 Exam Date is the date for the first available exam after the students completed the
13 program.

14 “3 Passage Rate is calculated by dividing the number of students who pass the exam by the
15 number of graduates who take the reported licensing exam.

16 “For licensing examinations that are continuously administered, license examination
17 passage rates shall be included in the Performance Fact Sheet in a format substantially similar to
18 the chart below, including the footnoted information below (dates, numbers, and other data
19 shown are for example only):

20 “Examination Passage Rates (includes data for the two calendar years prior to reporting)

21 “Name of Educational Program (Program Length)

| 22 | <i>Calendar Year</i> | <i>Number of Students Taking Exam(1)</i> | <i>Number Who Passed First Exam Taken(2)</i> | <i>Number Who Failed First Exam Taken</i> | <i>Passage Rate(3)</i> |
|----|----------------------|--|--|---|------------------------|
| 24 | 20XX | 80 | 40 | 40 | 50% |
| 25 | 20XY | 100 | 75 | 25 | 75% |

26 *“License examination passage data is not available from the state agency administering the*
27 *examination. We were unable to collect data from 10 graduates.*

1 "1 Number of Students Taking Exam is the number of students who completed the program
 2 within 150% of the published program length and who took the exam in the reported calendar
 3 year for the first time.

4 "2 Number Who Passed First Exam Taken is the number of students who took and passed
 5 the licensing exam in the reported calendar year on the first attempt.

6 "3 Passage Rate is calculated by dividing the number of graduates who pass the exam the
 7 first time that they take it by the number of graduates who took the licensing exam for the first
 8 time after completion of the program.

9 "(g) Salary and Wage Information.

10 "All Salary and Wage Information shall be reported to the Bureau pursuant to section
 11 94929.5(c) of the Code and, if required by section 94910(d) of the Code, shall be included in the
 12 Performance Fact Sheet, for each educational program, in a format substantially similar to the
 13 chart below, including the footnoted information (dates, numbers, salaries, and other data shown
 14 are for example only).

15 "Salary and Wage Information (includes data for the two calendar years prior to reporting)

16 "Name of Educational Program (Program Length)

| Calend ar Year | Graduate s Available for Employment (1) | Graduate s Employe d in the Field(2) | Annual Salary and Wages Reported by Graduates Employed in the Field(3) | | | | Studen ts Not Report ing Salary |
|----------------------|--|--|---|--------------------------------------|---------------------------------|---------------------------------|---|
| | | | \$15,000.00 - \$20,000.00 | \$20,001.0 0 - \$25,000.0 0 | \$25,001.00 - \$30,000.00 | \$30,001.00 - \$35,000.00 | |
| 20XX | 100 | 70 | 5 | 40 | 6 | 3 | 16 |
| 20XY | 80 | 55 | 5 | 7 | 3 | 5 | 35 |

24 "1 'Graduates available for employment' means the number of graduates minus the number
 25 of graduates unavailable for employment. Graduates unavailable for employment means
 26 graduates who, after graduation, die, become incarcerated, are called to active military duty, are
 27 international students that leave the United States or do not have a visa allowing employment in
 28

1 the United States, or are continuing their education in an accredited or bureau-approved
2 postsecondary institution.

3 “2 ‘Graduates employed in the field’ means graduates who are gainfully employed within
4 six months of graduation in a position for which the skills obtained through the education and
5 training provided by the institution are required or provided a significant advantage to the
6 graduate in obtaining the position.

7 “3 Salary is as reported by the student. Not all graduates reported salary.

8 “(h) Documentation supporting all data reported shall be maintained by the institution for at
9 least five years from the time included in either an Annual Report or a Performance Fact Sheet,
10 and shall include at a minimum: student name(s), address, phone number, email address, program
11 completed, program start and completion dates, place of employment and position, salary, hours,
12 and a description of all attempts to contact each student. Documentation shall also include the
13 name, email address, phone number, and position or title of the institution's representative who is
14 primarily responsible for obtaining the students' completion, placement, licensing, and salary and
15 wage data, the date that the information was gathered, and copies of notes, letters or emails
16 through which the information was requested and gathered.”

17 22. Code of Regulations, title 5, section 74115 states:

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

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

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

27 “(2) Financial statements prepared on an annual basis as required by section 74110(b) shall
28 be prepared in accordance with the generally accepted accounting principles established by the

1 American Institute of Certified Public Accountants. Nonprofit institutions shall provide annual
2 financial statements as required under generally accepted accounting principles for nonprofit
3 organizations.

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

6 “(4) If an audit performed to determine compliance with any federal or state student
7 financial aid program reveals any failure to comply with the requirements of the program and the
8 noncompliance creates any liability or potential liability for the institution, the financial
9 statements shall reflect the liability or potential liability.

10 “(5) Any audits shall demonstrate that the accountant obtained an understanding of the
11 institution's internal financial control structure, assessed any risks, and has reported any material
12 deficiencies in the internal controls.

13 “(c) Work papers for the financial statements shall be retained for five years from the date
14 of the statements and shall be made available to the Bureau upon request.

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

20 FIRST CAUSE FOR DENIAL OF APPLICATION

(Exemplars of Student Agreements)

(Educ. Code § 94911, subds. (a) and (i)(1); and

Cal. Code Regs., title 5, §§ 71800, subds. (a), (d), (e)(3) and (e)(6))

22 23. Respondent's application is subject to denial because its proposed student agreements
23 fail to comply with the law on the following grounds:

24 a. Respondent did not provide an enrollment agreement that clearly indicates if
25 the student is enrolling in an educational program or an individual course. On page 1 of the
26 enrollment agreement, it states, “Student requests enrollment in a course whose title and
27 occupational objective is described in the School's catalog as: _____.” But on page
28

1 4 of the catalog, Respondent lists program costs per educational program not per course. (Educ.
2 Code § 94911, subd. (a)).

3 b. Respondent did not provide an enrollment agreement that clearly states the
4 address where instruction will be provided. On page 1 of the enrollment agreement it states that
5 the training location is 4510 Peralta Blvd., #7, Fremont, California, 94536 and that Respondent's
6 administrative office is 1590 Oakland Road, #B112, San Jose, California, 95131. But page 3 of
7 the catalog states that instruction will take place at both the Fremont and San Jose locations. Due
8 to the inconsistent information, the Bureau cannot determine compliance with Code of
9 Regulations, title 5, section 71800, subdivision (a).

10 c. Respondent did not provide an enrollment agreement that includes the date by
11 which the student must exercise his or her right to cancel or withdraw. (Cal. Code Regs., title 5,
12 § 71800, subd. (d)).

13 d. Respondent did not provide an enrollment agreement that includes the
14 itemization of the following institutional charges: equipment; and uniforms or other special
15 protective clothing. In the enrollment agreement checklist that was submitted on January 6, 2015,
16 Respondent indicated that those charges were located on the front page of the enrollment
17 agreement. However, the front page of the enrollment agreement did not contain institutional
18 charges for equipment and uniforms or other special protective clothing. Due to the inconsistent
19 information, the Bureau cannot determine compliance with Code of Regulations, title 5, section
20 71800, subdivisions (e)(3) and (e)(6).

21 e. Respondent did not provide an enrollment agreement that includes the required
22 language specified in Education Code section 94911, subdivision (i)(1), specifically "and the
23 most recent three-year cohort rate, if applicable." (Educ. Code § 94911, subd. (i)(1)).

24 **SECOND CAUSE FOR DENIAL OF APPLICATION**

25 (Financial Resources and Statements)
26 (Educ. Code § 94885, subd. (a)(6) and
27 Cal. Code Regs., title 5, §§ 71475, subs. (e) and (w)(2); 71745, subd. (a), and 74115)

28 24. Respondent's application is subject to denial because its financial resources and
financial statements fail to comply with the law on the following grounds:

1 a. Respondent did not provide current financial statements as the financials
2 received on January 6, 2015 reflect the year ending December 31, 2013 which does not cover the
3 most recent fiscal year. (Educ. Code § 94885, subd. (a)(6) and Cal. Code Regs., title 5, §§ 71475,
4 subds. (e) and (w)(2), and 74115)).

5 b. Respondent provided financial statements that did not include a completion
6 date. As a result, the Bureau cannot determine if the financial statements are current, being
7 completed no sooner than 120 days prior to the time it is submitted. (Educ. Code § 94885, subd.
8 (a)(6) and Cal. Code Regs., title 5, §§ 71475, subds. (e) and (w)(2), and 74115)).

9 c. The financial statements Respondent provided do not include a cash flow
10 statement. (Educ. Code § 94885, subd. (a)(6) and Cal. Code Regs., title 5, § 74115)).

11 d. The financial statements Respondent provided were not prepared by a certified
12 public accountant. (Educ. Code § 94885, subd. (a)(6) and Cal. Code Regs., title 5, §§ 71475,
13 subds. (e) and (w)(2) and 74115)).

14 e. The Bureau cannot determine if Respondent's institution has sufficient assets
15 and financial resources to comply with Code of Regulations, title 5, section 71745, subdivision
16 (a). (Educ. Code § 94885, subd. (a)(6) and Cal. Code Regs., title 5, § 71745, subd. (a)).

17 **THIRD CAUSE FOR DENIAL OF APPLICATION**

18 (Catalog)
19 (Educ. Code §§ 94909, subds. (a)(8)(A), (a)(8)(B), (a)(9) and (a)(15); and
20 Cal. Code Regs., title 5, §§ 71750, subd. (b) and 71810, subd. (b)(7))

21 25. Respondent's application is subject to denial because its proposed catalog fails to
22 comply with the law on the following grounds:

23 a. Respondent did not provide a catalog that includes the correct insert in the
24 transferability disclosure as indicated in Education Code section 94909, subdivision (a)(15). On
25 page 12 of the catalog, Respondent was directed to "insert the name of the educational program."
26 But Respondent inserted the name of the institution, American Century College. (Educ. Code §
27 94909, subd. (a)(15)).

28 b. Respondent did not provide a catalog that includes ability-to-benefit
requirements for students. (Educ. Code § 94909, subd. (a)(8)(A)).

1 c. Respondent did not provide a catalog that includes the institutions' policies and
2 procedures for the award of credit for prior experiential learning, including assessment policies
3 and procedures, provisions for appeal, and all charges that student may be required to pay. (Cal.
4 Code Regs., title 5, § 71810, subd. (b)(7)).

5 d. Respondent did not provide a catalog that includes the total charges for a period
6 of attendance and an estimated schedule of total charges for the entire educational program.
7 (Educ. Code § 94909, subd. (a)(9)).

8 e. Respondent did not provide a catalog that includes the STRF charge in its
9 schedule of charges. (Educ. Code § 94909, subd. (a)(9)).

10 f. Respondent did not provide a catalog that includes a refund policy that
11 indicates whether withdrawal can be accomplished by conduct. (Educ. Code § 94909, subd.
12 (a)(8)(B) and Cal. Code Regs., title 5, § 71750, subd. (b)).

13 FOURTH CAUSE FOR DENIAL OF APPLICATION

(Institution Website)

14 (Educ. Code § 94913, subds. (a)(2) and (a)(5))

15 26. Respondent's application is subject to denial because its institution's website fails to
16 comply with the law on the following grounds:

17 a. The institution does not maintain a website that includes the most recent School
18 Performance Fact Sheet (SPFS). (Educ. Code § 94913, subd. (a)(2)).

19 b. The institution does not maintain a website that includes the most recent
20 Annual Report. (Educ. Code § 94913, subd. (a)(5)).

21 FIFTH CAUSE FOR DENIAL OF APPLICATION

(School Performance Fact Sheet)

22 (Educ. Code §§ 94902, subd. (b)(3); 94910, subds. (a), (b), (d), and (f)(3); 94928, subd. (c);
23 94929, subd. (a); 94929.5, subd. (a)(1) and (a)(3); and
Cal. Code Regs., title 5, § 74112)

24 27. Respondent's application is subject to denial because its School Performance Fact
25 Sheet (SPFS) fails to comply with the law on the following grounds:

26 a. Respondent did not provide a SPFS that reports the data for each of its
27 institution's locations. Specifically, Respondent offered 2012-2013 SPFS combined data for both
28 of its San Jose and Fremont locations. (Educ. Code § 94928, subd. (c)).

1 b. Respondent did not provide an SPFS that includes data and calculations for
2 each separate location of the institution. As a result, the Bureau is unable to determine if the
3 calculations and data Respondent provided are in compliance with the law. (Educ. Code §§
4 94910, subd. (a); 94928; 94929, subd. (a); 94929.5, subd. (a)(1); and Cal. Code Regs., title 5, §
5 74112).

6 c. Respondent did not provide an SPFS that includes data for the following
7 Bureau approved educational programs: Air Conditioning, Solar and Electrical, Air
8 Conditioning, Solar and Electrical and Refrigeration, and Computer Repair Technician. (Educ.
9 Code § 94910, subd. (b), and Cal. Code Regs., title 5, § 74112, subd. (d), (e)(2), and (g)).

10 d. Respondent did not provide an SPFS that includes the required definitions and
11 footnoted information that are specified in Education Code section 94928 and Code of
12 Regulations, title 5, section 74112, subdivisions (b), (d), (e), and (g). (Educ. Code § 94928, subd.
13 (b), and Cal. Code Regs., title 5, § 74112, subds. (b), (d), (e), and (g)).

14 e. Respondent did not provide an SPFS that includes, for each educational
15 program, an area for students to initial and date the following: Completion Rates, Placement
16 Rates, Starting Salaries, and Student Loan Information. (Educ. Code § 94902, subd. (b)(3)).

17 f. Respondent did not provide an SPFS that includes, for each educational
18 program, information regarding to obtain from Respondent's institution a list of the employment
19 positions determined to be within the field for a particular educational program. (Educ. Code §
20 94910, subd. (f)(3)).

21 g. Respondent did not provide an SPFS that included, for each educational
22 program, the correct title for "Salary and Wage Information (includes data for the two calendar
23 years prior to reporting)." For each educational program reported, Respondent included the
24 incorrect title of "On-Time Completion Rates" instead of the correct title, "Salary and Wage
25 Information (includes data for the two calendar years prior to reporting)." (Cal. Code Regs., title
26 5, § 74112, subds. (a) and (g)).

27 h. Respondent did not provide the following Completion rate data in its SPFS:
28

1 A. 2013 Completion rate data for the “Students Completing After Published
2 Program Length (101-150% Completion Rate)” section for the following educational programs:
3 ESL – English as a Second Language – Basic (360 hours); Solar Energy, Air Conditioning –
4 HVAC (360 hours); Computer Repair/Networking Technician – Basic (360 hours); Computer
5 Technology/Networking Systems (990 hours); Medical Administrative Assistant (750 hours); and
6 Medical Assisting Services/Laboratory (990 hours). (Educ. Code §§ 94910, subd. (a) and 94929,
7 subd. (a); and Cal. Code Regs., title 5, § 74112, subd. (d)).

8 B. 2013 Completion rate data for the “On-Time Completion Rates” table,
9 Completion Rate section for the ESL – English as a Second Language – Basic (750 hours)
10 educational program. Respondent left this data field blank. (Educ. Code §§ 94910, subd. (a) and
11 94929, subd. (a); and Cal. Code Regs., title 5, § 74112, subd. (d)).

12 C. 2012 and 2013 Completion rate data for the “Students Completing After
13 Published Program Length (101-150% Completion Rate)” section for the ESL – English as a
14 Second Language – Basic (750 hours) educational program. Respondent left these data fields
15 blank. (Educ. Code §§ 94910, subd. (a) and 94929, subd. (a); and Cal. Code Regs., title 5, §
16 74112, subd. (d)).

17 D. 2012 Completion rate data for the “Students Completing After Published
18 Program Length (101-150% Completion Rate)” section for the following educational programs:
19 Air Conditioning, Solar Energy and Electrical – HVAC (750 hours); Air Conditioning, Solar,
20 Electrical, Heating and Refrigeration – HVAC (990 hours); Computer Repair/Networking
21 Technician – Advanced (750 hours); and Medical Office Assistant (360 hours). Respondent left
22 these data fields blank. (Educ. Code §§ 94910, subd. (a) and 94929, subd. (a); and Cal. Code
23 Regs., title 5, § 74112, subd. (d)).

24 E. 2012 Completion rate data for the “Students Completing After Published
25 Program Length (101-150% Completion Rate)” table in the Number of Students Who Began
26 Program, Students Available for Graduation, and 150% Graduates section for the following
27 educational programs: Computer Technology/Networking Systems (990 hours); and Medical
28

1 Assisting Services/Laboratory (990 hours). Respondent left these data fields blank. (Educ. Code
2 §§ 94910, subd. (a) and 94929, subd. (a); and Cal. Code Regs., title 5, § 74112, subd. (d)).

3 i. Respondent did not provide the following Placement Rate data in its SPFS:

4 A. 2012 Placement Rate data for the Graduates employed at least 32 hours
5 per week section for the ESL-English as a Second Language – Basic (750 hours) educational
6 program. Respondent left this data field blank. (Educ. Code §§ 94910, subd. (b), and 94929.5,
7 subd. (a)(1); and Cal. Code Regs., title 5, § 74112, subd. (e)(4)).

8 B. 2013 Placement Rate data for the Placement Rate Employed in the Field,
9 Graduates Employed less than 32 hours a week, and Graduates employed at least 32 hours per
10 week sections for the ESL-English as a Second Language – Basic (750 hours) educational
11 program. Respondent left these data fields blank. (Educ. Code §§ 94910, subd. (b), and 94929.5,
12 subd. (a)(1); and Cal. Code Regs., title 5, § 74112, subd. (e)(4)).

13 C. 2012 Placement Rate data for the Graduates employed less than 32 hours
14 per week section for the following educational programs: Administrative Assistant and
15 Accounting (750 hours); Business Administration and Accounting (990 hours); Computer
16 Repair/Networking Technician – Advanced (750 hours); Medical Office Assistant (360 hours);
17 Medical Administrative Assistant (750 hours); and Medical Assisting Services/Laboratory (990
18 hours). Respondent left these data fields blank. (Educ. Code §§ 94910, subd. (b), and 94929.5,
19 subd. (a)(1); and Cal. Code Regs., title 5, § 74112, subd. (e)(4)).

20 D. 2012 and 2013 Placement Rate data for the Graduates employed less than
21 32 hours per week section for the following educational programs: Solar Energy, Air
22 Conditioning, HVAC (360 hours); Air Conditioning, Solar Energy and Electrical – HVAC (750
23 hours); Computer Repair/Networking Technician – Basic (360 hours); and Computer
24 Technology/Networking Systems (990 hours). Respondent left these data fields blank. (Educ.
25 Code §§ 94910, subd. (b), and 94929.5, subd. (a)(1); and Cal. Code Regs., title 5, § 74112, subd.
26 (e)(4)).

27 E. 2013 Placement Rate data for the Graduates employed less than 32 hours
28 per week section for the Air Conditioning, Solar, Electrical, Heating and Refrigeration – HVAC

1 (990 hours) educational program. Respondent left these data fields blank. (Educ. Code §§
2 94910, subd. (b), and 94929.5, subd. (a)(1); and Cal. Code Regs., title 5, § 74112, subd. (e)(4)).

3 j. Respondent did not provide the following Starting Salary data in its SPFS:

4 A. 2012 Starting Salary data for the \$25,001-\$30,000; \$30,001-\$35,000; and
5 Students Not Reporting Salary sections for the following educational programs: ESL – English
6 as a Second Language – Basic (360 hours); Solar Energy, Air Conditioning – HVAC (360 hours);
7 and Medical Office Assistant (360 hours). Respondent left these data fields blank. (Educ. Code
8 §§ 94910, subd. (d), and 94929.5, subd. (a)(3); and Cal. Code Regs., title 5, § 74112, subd. (g)).

9 B. 2013 Starting Salary data for the \$20,001-\$25,000; \$25,001-\$30,000;
10 \$30,001-\$35,000; and Students Not Reporting Salary sections for the ESL – English as a Second
11 Language – Basic (360 hours) educational program. Respondent left these data fields blank.
12 (Educ. Code §§ 94910, subd. (d), and 94929.5, subd. (a)(3); and Cal. Code Regs., title 5, § 74112,
13 subd. (g)).

14 C. 2012 Starting Salary data for the \$15,000-\$20,000; \$25,001-\$30,000;
15 \$30,001-\$35,000; and Students Not Reporting Salary sections for the following educational
16 programs: ESL – English as a Second Language – Basic (750 hours); Computer
17 Repair/Networking Technician – Advanced (750 hours); Computer Technology/ Networking
18 Systems (990 hours); and Medical Administrative Assistant (750 hours). Respondent left these
19 data fields blank. (Educ. Code §§ 94910, subd. (d), and 94929.5, subd. (a)(3); and Cal. Code
20 Regs., title 5, § 74112, subd. (g)).

21 D. 2013 Starting Salary data for the ESL – English as a Second Language –
22 Basic (750 hours) educational program. Respondent left these data fields blank. (Educ. Code §§
23 94910, subd. (d), and 94929.5, subd. (a)(3); and Cal. Code Regs., title 5, § 74112, subd. (g)).

24 E. 2012 Starting Salary data for the \$25,001-\$30,000 and \$30,001-\$35,000
25 sections for the Office Support (360 hours) educational program. Respondent left these data
26 fields blank. (Educ. Code §§ 94910, subd. (d), and 94929.5, subd. (a)(3); and Cal. Code Regs.,
27 title 5, § 74112, subd. (g)).
28

1 F. 2013 Starting Salary data for the \$25,001-\$30,000; \$30,001-\$35,000; and
2 Students Not Reporting Salary sections for the Office Support (360 hours) educational program.
3 Respondent left these data fields blank. (Educ. Code §§ 94910, subd. (d), and 94929.5, subd.
4 (a)(3); and Cal. Code Regs., title 5, § 74112, subd. (g)).

5 G. 2012 and 2013 Starting Salary data for the \$15,000-\$20,000; \$30,001-
6 \$35,000; and Students Not Reporting Salary sections for the Administrative Assistant and
7 Accounting (750 hours) educational program. Respondent left these data fields blank. (Educ.
8 Code §§ 94910, subd. (d), and 94929.5, subd. (a)(3); and Cal. Code Regs., title 5, § 74112, subd.
9 (g)).

10 H. 2012 Starting Salary data for the \$15,000-\$20,000; \$30,001-\$35,000; and
11 Students Not Reporting Salary sections for the following educational programs: Business
12 Administration and Accounting (990 hours); Air Conditioning, Solar, Electrical, Heating, and
13 Refrigeration – HVAC (990 hours); Medical Assisting Services/Laboratory (990 hours).
14 Respondent left these data fields blank. (Educ. Code §§ 94910, subd. (d), and 94929.5, subd.
15 (a)(3); and Cal. Code Regs., title 5, § 74112, subd. (g)).

16 I. 2013 Starting Salary data for the \$15,000-\$20,000; \$20,001-\$25,000; and
17 \$30,001-\$35,000 sections for the following educational programs: Business Administration and
18 Accounting (990 hours) and Air Conditioning, Solar, Electrical, Heating and Refrigeration –
19 HVAC (990 hours). Respondent left these data fields blank. (Educ. Code §§ 94910, subd. (d),
20 and 94929.5, subd. (a)(3); and Cal. Code Regs., title 5, § 74112, subd. (g)).

21 J. 2013 Starting Salary data for the \$15,000-\$20,000; \$25,001-\$30,000;
22 \$30,001-\$35,000; and Students Not Reporting Salary sections for the following educational
23 programs: Solar Energy, Air Conditioning – HVAC (360 hours); Computer Repair/Networking
24 Technician – Advanced (750 hours); and Computer Technology/Networking Systems (990
25 hours). Respondent left these data fields blank. (Educ. Code §§ 94910, subd. (d), and 94929.5,
26 subd. (a)(3); and Cal. Code Regs., title 5, § 74112, subd. (g)).

27 K. 2012 Starting Salary data for the \$20,000-\$25,000; \$30,001-\$35,000; and
28 Students Not Reporting Salary sections for the Air Conditioning, Solar Energy and Electrical –

1 HVAC (750 hours) educational program. Respondent left these data fields blank. (Educ. Code
 2 §§ 94910, subd. (d), and 94929.5, subd. (a)(3); and Cal. Code Regs., title 5, § 74112, subd. (g)).

3 L. 2013 Starting Salary data for the \$15,000-\$20,000 and \$30,001-\$35,000
 4 sections for the following educational programs: Air Conditioning, Solar Energy and Electrical –
 5 HVAC (750 hours) and Medical Assisting Services/Laboratory (990 hours). Respondent left
 6 these data fields blank. (Educ. Code §§ 94910, subd. (d), and 94929.5, subd. (a)(3); and Cal.
 7 Code Regs., title 5, § 74112, subd. (g)).

8 M. 2012 Starting Salary data for the \$30,001-\$35,000 and Students Not
 9 Reporting Salary sections for the Computer Repair/Networking Technician – Basic (360 hours)
 10 educational program. Respondent left these data fields blank. (Educ. Code §§ 94910, subd. (d),
 11 and 94929.5, subd. (a)(3); and Cal. Code Regs., title 5, § 74112, subd. (g)).

12 N. 2013 Starting Salary data for the \$15,000-\$20,000; \$30,001-\$35,000; and
 13 Students Not Reporting Salary sections for the following educational programs: Computer
 14 Repair/Networking Technician – Basic (360 hours) and Medical Office Assistant (360 hours).
 15 Respondent left these data fields blank. (Educ. Code §§ 94910, subd. (d), and 94929.5, subd.
 16 (a)(3); and Cal. Code Regs., title 5, § 74112, subd. (g)).

17 O. 2013 Starting Salary data for the \$15,000-\$20,000; \$25,001-\$30,000 and
 18 \$30,001-\$35,000 sections for the Medical Administrative Assistant (750 hours) educational
 19 program. Respondent left these data fields blank. (Educ. Code §§ 94910, subd. (d), and 94929.5,
 20 subd. (a)(3); and Cal. Code Regs., title 5, § 74112, subd. (g)).

21 k. Respondent did not provide an SPFS that included correct calculations for the
 22 following educational programs in the following data fields:

| <u>Educational Program</u> | <u>Data Field</u> |
|---|---|
| ESL-English as a Second Language – Basic (360 hours) | 2012 and 2013 Placement Rate Employed in the Field |
| Office Support (360 hours) | 2012 and 2013 Placement Rate Employed in the Field |
| ESL-English as a Second Language – | 2012 Placement Rate Employed in the Field |

| | | |
|----|---|--|
| 1 | Advanced (750 hours) | |
| 2 | Administrative Assistant and Accounting (750 | 2012 and 2013 Completion Rate, 150% |
| 3 | hours) | Completion Rate, and Placement Rate |
| 4 | | Employed in the Field |
| 5 | Business Administration and Accounting (990 | 2012 and 2013 Completion Rate, 2012 and |
| 6 | hours) | 2013 Placement Rate Employed in the Field, |
| 7 | | and 2013 150% Completion Rate |
| 8 | Computer Repair/Networking Technician – | 2012 and 2013 Completion Rate, 2012 and |
| 9 | Advanced (750 hours) | 2013 Placement Rate Employed in the Field, |
| 10 | | and 2013 150% Completion Rate |
| 11 | Solar Energy, Air Conditioning – HVAC (360 | 2012 and 2013 Completion Rate, 2012 and |
| 12 | Hours) | 2013 Placement Rate Employed in the Field, |
| 13 | | and 2012 150% Completion Rate |
| 14 | Computer Repair/Networking Technician – | 2012 and 2013 Completion Rate, 2012 and |
| 15 | Basic (360 Hours) | 2013 Placement Rate Employed in the Field, |
| 16 | | and 2012 150% Completion Rate |
| 17 | Air Conditioning, Solar Energy and Electrical – | 2012 and 2013 Completion Rate, and 2012 |
| 18 | HVAC (750 hours) | and 2013 Placement Rate Employed in the |
| 19 | | Field |
| 20 | Air Conditioning, Solar, Heating and | 2012 and 2013 Completion Rate, and 2012 |
| 21 | Refrigeration – HVAC (990 hours) | and 2013 Placement Rate Employed in the |
| 22 | | Field |
| 23 | Computer Technology/Networking Systems | 2012 and 2013 Completion Rate, and 2012 |
| 24 | (990 hours) | and 2013 Placement Rate Employed in the |
| 25 | | Field |
| 26 | Medical Office Assistant (360 hours) | 2012 and 2013 Completion Rate, and 2012 |
| 27 | | and 2013 Placement Rate Employed in the |
| 28 | | |

| | | |
|---|--|---|
| 1 | | Field |
| 2 | Medical Administrative Assistant (750 hours) | 2012 and 2013 Completion Rate, and 2012 |
| 3 | | and 2013 Placement Rate Employed in the |
| 4 | | Field |
| 5 | Medical Assisting Services/Laboratory (990 | 2012 and 2013 Completion Rate, and 2012 |
| 6 | hours) | and 2013 Placement Rate Employed in the |
| 7 | | Field |

8 The Bureau is therefore unable to determine whether Respondent is in compliance with
9 applicable statutes and regulations. (Educ. Code §§ 94929, subd. (a) and 94929.5, subd. (a)(1);
10 and Cal. Code Regs., title 5, § 74112, subds. (d) and (e)).

11 SIXTH CAUSE FOR DENIAL OF APPLICATION

12 (Annual Fee)

13 (Cal. Code Regs., title 5, §§ 71485 and 74000, subd. (d))

14 28. Respondent's application is subject to denial because it failed to pay the 2014 Annual
15 Fee and delinquent penalty fee. (Cal. Code Regs., title 5, §§ 71485 and 74000, subd. (d)).

16 PRAYER

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

- 20 1. Denying the Application for Renewal of Approval to Operate an Institution Non-
21 Accredited of AC College Inc., d.b.a. American Century College; Ali Mirzaei, Owner; and
- 22 2. Taking such other and further action as deemed necessary and proper.

23 DATED: 8/31/15

24 

25 JOANNE WENZEL
26 Chief
27 Bureau for Private Postsecondary Education
28 Department of Consumer Affairs
State of California
Complainant

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