



Bureau for Private Postsecondary Education
Notice of Advisory Committee Meeting and Agenda

Tuesday, May 17, 2022, 9:30 a.m.

Department of Consumer Affairs
1747 North Market Blvd.
Hearing Room (#186)
Sacramento, CA 95834

NOTE: The Bureau for Private Postsecondary Education will hold a public meeting via WebEx platform and in-person at the address listed above.

INSTRUCTIONS FOR OBSERVATION VIA WEBCAST:

Webcast of the meeting will be available at 9:30 a.m. on May 17, 2022, and viewable at <https://thedcapage.blog/webcasts>.

FOR PARTICIPATION VIA WEBEX, PLEASE LOG ON TO THIS WEBSITE:

<https://dca-meetings.webex.com/dca-meetings/j.php?MTID=m4e5c081106e55245779183e8b20c97f8>

Event Number: 2493 145 6125 Event Password: BPPE05172022

The preferred audio connection is via phone bridge. The phone number and access code will be provided as part of your connection to the meeting. General instructions for using WebEx can be found at the end of the agenda.

Important Notices to the Public: The Advisory Committee Meeting is open to the public. Members of the public may, but are not obligated to, provide their names or personal information as a condition of observing or participating in the meeting. When signing into the WebEx platform, participants may be asked for their name and email address. Participants who choose not to provide their names will need to provide a unique identifier such as their initials or another alternative, so that the meeting moderator can identify individuals who wish to make public comment; participants who choose not to provide their email address may utilize a fictitious email address like in the following sample format: XXXXX@mailinator.com.

The Advisory Committee Meeting is accessible to the physically disabled. A person who needs a disability-related accommodation or modification in order to participate in the meeting may make a request by contacting Richie Barnard at (279) 666-5875, by emailing richie.barnard@dca.ca.gov or sending a written request to the Bureau for Private Postsecondary Education, P.O. Box 980818, West Sacramento, CA 95798-0818. Providing your request at least five business days before the meeting will help ensure availability of the requested accommodation.

Discussion and action may be taken on any item on the agenda. The time and order of agenda items are subject to change at the discretion of the Chair. In the event a quorum of the committee is unable to attend the meeting, or the committee is unable to maintain a quorum once the meeting is called to order, the members present may, at the chair's discretion, continue to discuss items from the agenda and make recommendations to the full committee at a future meeting.

Government Code section 11125.7 provides the opportunity for the public to address each agenda item during discussion or consideration by the committee or prior to the committee taking any action on said item. Members of the public will be provided appropriate opportunities to comment on any issues before the Advisory Committee, but the chair may, at the chair's discretion, apportion available time among those who wish to speak. If public comment is not specifically requested, members of the public should feel free to request an opportunity to comment. Individuals may present to the Advisory Committee on items not on the agenda, however, the committee can neither discuss nor take official action on these items at the time of the same meeting (Government Code sections 11125, 11125.7(a)). The Advisory Committee plans to webcast this meeting at <https://thedcapage.blog/webcasts>. Webcast availability cannot, however, be guaranteed due to limited resources or technical difficulties. The meeting will not be cancelled if webcast is not available. Using the WebEx link will allow for participation and observation with closed captioning.

Agenda

The public may provide appropriate comment on any issue before the Advisory Committee at the time the item is discussed. If public comment is not specifically requested, members of the public should feel free to request an opportunity to comment.

1. Welcome, Introductions, and Establishment of a Quorum
2. Public Comment on Items not on the Agenda (Note: The Advisory Committee may not discuss or take action on any matter raised during this public comment section, except to decide whether to place the matter on the agenda of a future meeting (Government Code Sections 11125 and 11125.7(a))
3. Review and Approval of February 23, 2022, Advisory Committee Meeting Minutes
4. Remarks by a Representative of the Department of Consumer Affairs, which may include updates pertaining to the Bureau's Operations, Human Resources, Department's Administrative Services, Enforcement, Information Technology, Communications and Outreach, as well as Regulatory and Policy Matters
5. Bureau Operations Update and Discussion related to the following:
 - a. IT System Project
 - b. Licensing Report
 - c. Quality of Education Report
 - d. Annual Report Update
 - e. Compliance and Discipline Report
 - f. Complaint and Investigation Report
 - g. Office of Student Assistance and Relief (OSAR) Report
 - h. Student Tuition Recovery Fund (STRF) Report

6. Status Update and Discussion related to the following Regulatory Matters:
 - a. Status on Annual Report/Labor Market Outcome Data Reporting (California Code of Regulations (CCR) Sections 74110, CEC Section 94892.6, AB 1340)
 - b. Proposals Based on Recent Statutory Developments
 - i. Substantive Changes (California Code of Regulations (CCR) amend section 71650, add sections 71652 and 71653, CEC Section 94894(i)-(k), SB 802 (2021))
 - ii. Denial of Out-of-State Application (California Code of Regulations (CCR) section 71397, CEC section 94801.5(a), AB 1344 (2019))
7. Status Update and Discussion related to the Bureau's Sunset Review and Finances
8. Addressing Suspected Human Trafficking in Private Postsecondary Education Institutions
9. Proposed Modifications to Advisory Committee Handbook
10. Future Agenda Items
11. Adjournment

WELCOME, INTRODUCTIONS AND ESTABLISHMENT OF A QUORUM

Committee Member Roster

Joseph Holt, Chair

- Institutional Representative (Appointed by DCA Director)

Margaret Reiter, Vice-Chair

- Consumer Advocate (Appointed by Senate Committee on Rules)

Diana Amaya

- Public Member (Appointed by Senate Committee on Rules)

Kansen Chu

- Public Member (Appointed by Speaker of the Assembly)

Melanie Delgado

- Consumer Advocate (Appointed by DCA Director)

Leigh Ferrin

- Consumer Advocate (Appointed by Speaker of the Assembly)

David Vice

- Institutional Representative (Appointed by DCA Director)

Tess Dubois-Carey

- Institutional Representative (Appointed by DCA Director)

Senator Richard Roth (Sarah Mason)

- Non-Voting, Ex Officio Member (Appointed by the Senate Committee on Rules)

Assemblymember Jose Medina (Kevin Powers)

- Non-Voting, Ex Officio Member (Appointed by Speaker of the Assembly)

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

(Note: The Committee may not discuss or take action on any matter raised during this public comment section, except to decide whether to place the matter on the agenda of a future meeting (Government Code Sections 11125 and 11125.7(a).)

Agenda Item 3

**REVIEW AND APPROVAL OF FEBRUARY 23, 2022, ADVISORY COMMITTEE
MEETING MINUTES**

ATTACHMENT:

Advisory Committee Draft Meeting Minutes from February 23, 2022



Advisory Committee Meeting Minutes Wednesday, February 23, 2022

WebEx Meeting

Advisory Committee Members in Attendance

1. Kansen Chu
2. David Vice
3. Melanie Delgado
4. Leigh Ferrin
5. Joseph Holt
6. Sarah Mason (on behalf of Senator Richard Roth)
7. Kevin Powers (on behalf of Assemblymember Jose Medina)
8. Margaret Reiter

Committee Members Absent

Diana Amaya

Bureau for Private Postsecondary Education (Bureau) and Department of Consumer Affairs (DCA) Staff in Attendance

Deborah Cochrane, Bureau Chief
Leeza Rifredi, Deputy Bureau Chief
Linh Nguyen, DCA Legal Counsel
Carrie Holmes, DCA Board and Bureau Relations Deputy Director
Jason Alley, acting Bureau Enforcement Chief
Daniel Rangel, Bureau Enforcement Chief
Ebony Santee, Bureau Licensing Chief
April Oakley, Office of Student Assistance and Relief Manager
Yvette Johnson, Bureau Administration Chief
Sean O'Connor, DCA Chief of Project Delivery and Administrative Services
David Dumble, Bureau Legislative/Regulation Specialist

Agenda #1 - Welcome, Introductions, and Establishment of a Quorum

Committee Vice Chair, Margaret Reiter called the meeting to order.

Committee members and Bureau staff thanked former Committee member, Katherine Lee Carey for her service to the Committee.

Agenda #2 - Elections for Advisory Committee Chair and Vice Chair

Ms. Reiter called on nominations for Chair of the Committee.

David Vice moved to nominate Joseph Holt as Chair; Ms. Reiter seconded the motion.

Public Comment

No Public Comment.

Vote

(Kansen Chu: Aye; David Vice: Aye; Melanie Delgado: Aye; Leigh Ferrin: Aye; Joseph Holt: Aye; Margaret Reiter: Aye) The motion passed.

Mr. Holt called on nominations for Vice Chair of the Committee.

Mr. Vice nominated Ms. Reiter for Vice Chair of the Committee; Ms. Ferrin seconded the motion.

Public Comment

No public comment.

Vote

(Kansen Chu: Aye; David Vice: Aye; Melanie Delgado: Aye; Leigh Ferrin: Aye; Joseph Holt: Aye; Margaret Reiter: Aye) The motion passed.

Agenda #3 - Public Comment on Items not on the Agenda

Angela Perry provided a comment.

Agenda #4 - Review and Approval of November 3, 2021, Advisory Committee Meeting Minutes

Public Comment

No Public Comment.

Mr. Chu moved to approve the November 3, 2021, meeting minutes; Mr. Vice seconded the motion.

Vote

(Kansen Chu: Aye; David Vice: Aye; Melanie Delgado: Aye; Leigh Ferrin: Aye; Joseph Holt: Aye; Margaret Reiter: Aye) The motion passed.

Agenda #5 - Remarks by Representative of the Department of Consumer Affairs

Carrie Holmes, Deputy Director for Board and Bureau Relations, provided an update on the Department of Consumer Affairs (Department).

Ms. Holmes thanked Katherine Lee Carey for her dedication and service to the Committee.

Ms. Holmes explained that, as California moves into a new endemic reality, updated public health guidance has relaxed universal masking for vaccinated individuals in many indoor settings. She noted that unvaccinated individuals must still wear face coverings in all indoor settings and in some high-risk settings such as health care facilities face coverings are required for everyone regardless of vaccination status. She added that local orders may be more restrictive to respond to community conditions and to please be aware of changing public health guidance.

Ms. Holmes reported that on January 5, 2022, Governor Newsom signed an executive order allowing Boards and Committees to meet remotely through March 31, 2022. She noted that the newly proposed legislation, Assembly Bill 1733, would allow Boards and Committees to meet remotely on a permanent basis while also providing members of the public with virtual and physical options to participate in the meetings. She added, that since the passage of the bill is uncertain, preparations should be made for in-person meetings. She noted that Committee members need to verify full vaccination with the Department's Office of Human Resources or participate in COVID testing.

Ms. Holmes stated that there are currently three appointments to the Committee to be made by the Director including two student representative positions and one institutional representative. She noted that individuals who are interested in serving should visit the Department's homepage to apply for an appointment.

Public Comment

No public comment.

Agenda #6 – Bureau Operations Update and Discussion

Update on the Bureau's IT System Project

Sean O'Connor provided an update on the Bureau's IT system project. He reported that since the start of the project implementation phase there have been three major software releases delivering functionality currently being used by external users and Bureau staff. He stated that the project is trending to come in under budget and is scheduled to be completed by the end of April 2022.

Mr. O'Connor explained the project is currently in its last major product implementation phase. He continued that the current focus is on bringing over the remaining application types and conversion of all the remaining licensing and application data. He added the team is also working on an online Student Tuition Recovery Fund (STRF) claim submission and institution annual fee submission functionality.

Mr. O'Connor stated that following the last software releases the team will move into the operations and maintenance phase. He explained the team will continue to update the system to accommodate for law changes and make improvements to user experience and services. He added the existing online annual report submission system will be incorporated into the new system to store all data within one system.

Public Comment

Angela Perry provided a public comment.

Update on Accrediting Council for Independent Colleges and Schools (ACICS) Institutions

Bureau Licensing Chief Ebony Santee provided an update on ACICS institutions. She explained that, with the outcome of the ACICS appeal to the U.S. Department of Education (Department) pending, the Bureau is proactively preparing to address student and institution concerns should the Department's recognition of ACICS be discontinued.

Ms. Santee continued that the Bureau has identified 21 institutions that could be impacted by ACICS loss of recognition and has requested student rosters and information on the institutions' plans should their accreditation status change. She noted that the Office of Student Assistance and Relief (OSAR) made initial contact with students to detail services that students can utilize and answer any questions.

Ms. Santee stated the Bureau continues to monitor the ACICS situation so that it will be ready to respond as needed once a decision has been rendered by the Department.

Public Comment

No public comment.

Licensing Report

Ms. Santee reported on the Licensing Unit. She outlined Attachment 6(c).

Public Comment

No public comment.

Quality of Education Report

Ms. Santee reported on the Quality of Education Unit. She outlined Attachment 6(e).

Public Comment

Robert Johnson provided a public comment.

Annual Report (AR) Report

Jason Alley, acting Bureau Enforcement Chief over compliance and discipline, provided a report on the Annual Report unit. He stated that the deadline to submit the 2020 Annual Report was December 1, 2021. He reported that 111 institutions did not submit in time and noted that staff is preparing enforcement referrals for those institutions.

Public Comment

Angela Perry provided a public comment.

Compliance and Discipline Report

Mr. Alley reported on the Compliance and Discipline Unit. He outlined Attachment 6(f).

Leigh Ferrin asked what it costs the Bureau when a school closes. She asked about costs associated with personal outreach and record storage. Mr. Alley stated that he did not have that information but would look into it for a future meeting.

Public Comment

Robert Johnson provided a public comment.

Complaint and Investigation Report

Daniel Rangel, Bureau Enforcement Chief over complaints and investigations, reported on the Complaint and Investigation Unit. He outlined Attachment 6(g).

Public Comment

Robert Johnson provided a public comment.

Office of Student Assistance and Relief (OSAR) Report

April Oakley, Office of Student Assistance and Relief Manager, reported on the OSAR Unit. She outlined Attachment 6(h).

Public Comment

No public comment.

Student Tuition Recovery Fund (STRF) Report

Yvette Johnson, Bureau Administration Chief, provided a report on STRF. She covered Attachment 6(i).

Mr. Holt asked about the pending STRF claims from Silicon Valley University. He asked if the pending claims are categorically different from the approved claims. Ms. Johnson stated that each claim must be reviewed independently but the pending claims are mostly coming from students who attended the institution around the same time.

Public Comment

Robert Johnson provided a public comment.

Agenda Item #7 - Status Updates on Regulations

Update on Town Hall held January 24, 2022

Ms. Johnson reported that on January 24, 2022, the Bureau held a virtual town hall to solicit early input on regulatory ideas and concepts from stakeholders. She stated that there were close to 200 participants. She explained that specific topics included the implementation of Senate Bill 802's change to the definition of educational programs, which now excludes programs that include fewer than 32 hours of instruction and are not designed to lead to employment, and the minimum operating standards regulatory package.

Ms. Johnson explained that comments taken from the town hall are being taken into consideration in the continued effort to draft regulations. She added that anyone who was unable to attend the town hall can find the materials on the Bureau website.

Ms. Cochrane added that the town hall was a new type of event for the Bureau. She added that there was a good amount of participation and constructive feedback during the meeting and after the meeting.

Public Comment

Robert Johnson provided a public comment.

Angela Perry provided a public comment.

Update on STRF Fee Increase Approved by Office of Administrative Law (Title 5, California Code of Regulations (CCR) section 76120)

David Dumble, Bureau Legislative/Regulation Specialist, provided an update on the STRF assessment fee increase. He stated that the fee is increasing from fifty cents to two dollars and fifty cents per one thousand dollars and will become effective on April 1, 2022. He added that the Bureau has sent notice to institutions regarding the increase and will be sending out additional notices in the coming weeks. He noted that there is also an alert notice on the Bureau website.

Public Comment

No public comment.

Status on Application for Verification of Exempt Status (California Education Code (CEC) sections 94874, 94874.2, 94874.7, 94874.5, and 94927.5; CCR section 71395)

Mr. Dumble reported that the Application for Verification of Exempt Status regulatory package was sent to DCA for review on February 1, 2022.

Public Comment

Robert Johnson provided a public comment.

Status on Annual Report/Labor Market Outcome Data Reporting (CCR sections 74110, CEC section 94892.6, and Assembly Bill 1340 (Chiu, Chapter 519, Statutes of 2019))

Mr. Dumble provided a status on the Annual Report/Labor Market Outcome regulatory package. He stated that the package is currently under review with DCA.

Mr. Holt asked if the DCA Director has certified that the IT system has been updated and is capable of processing the data as required. Mr. Dumble stated that the Bureau has not received certification. He added that the Bureau is working with DCA to work out a timetable for certification.

Public Comment

No public comment.

Regulatory Proposals Based on 2021 Statutory Language Being Developed

Mr. Dumble outlined Attachment 7(e)(i), regarding regulatory changes required by Senate Bill 607's repeal of "ability-to-benefit" requirements.

Ms. Reiter commented that institutions should still have the option to test students to determine if a student should be admitted. She also noted that the term "obviously unqualified" is not a legally well-defined term.

Mr. Dumble outlined Attachment 7(e)(ii) regarding the proposed language for 5 CCR section 71640 (Application for Ownership, Control, or Business Organization Form). He stated that the Bureau determined the proposed regulation is not needed to implement the changes to Education Code 94885.1 and 94885.5 added in Senate Bill 802. Mr. Holt commented that he is not sure if there is enough specificity in the statutory text to differentiate between somebody who applied for accreditation and somebody who has been granted accreditation or provisional accreditation.

Mr. Dumble outlined Attachment 7(e)(iii), discussing the change in the definition of educational programs regarding programs of less than 32 hours in length that do not lead to employment.

Ms. Reiter commented that the word advertisement is sometimes used in a very narrow sense and can cause issues when enforcing a statute. She suggested that it would be good to use the phrase in Education Code section 94868 that states “to offer to the public” means to advertise, publicize, solicit, or recruit. She stated that phrase more clearly defines what it means to offer something to the public. She also commented that it would be helpful to provide language that clarifies the distinction between exam preparation programs and programs designed to instruct students in skills and knowledge necessary to satisfy the qualifications for licensure.

Public Comment

No public comment.

Discussion on Procedures for Denying an Out-of-State Application (CCR section 71397)

Ms. Johnson opened discussion on regulations on procedures for denying Out-of-State registration applications. She outlined the memo titled Consideration of Out-of-State Registration Applications in Attachment 7(f).

Mr. Holt commented that consideration of materiality and relevance of outstanding judgments against an institution should be considered when determining whether to deny applications. Mr. Holt suggested that increased reporting requirements and increased frequency or rigor of compliance visits could be risk factors that may warrant conditions being placed on registration.

Ms. Ferrin suggested the utility of monitoring the institution and communicating with students through an anonymous survey to seek feedback on students’ experience with the institution and using that feedback as a consideration in the determination of whether to place conditions on registrations. She added, that depending on the length of monitoring periods, reporting on outcomes could also be helpful.

Ms. Reiter suggested that an institution on heightened cash monitoring would be a fairly high degree of risk. Ms. Reiter also suggested that the number of California students enrolled is a factor to consider.

Discussion on Consideration of Changes in Signature Requirement (CCR sections 71380, 71390, 71395, 71475, And 71480)

Ms. Johnson opened discussion on consideration of changes in signature requirements. She outlined the memo titled Application Signature Requirements in Attachment 7(f).

Mr. Holt commented that it seems excessive to require signatures from each member of a nonprofit institution's governing body. He noted that it would make more sense to only require a signature from the chair or chief executive of the institution.

Ms. Reiter commented that she thinks the point of requiring signatures from an institution's governing body is for members of the body to feel like they have responsibility for what is going on at the institution. She suggested setting up the process so that each member could sign a separate document and could sign by DocuSign. She suggested another option would be to allow members of the governing body to delegate signature authority to another, which would hold that member liable for what is signed by the delegated authority.

Kevin Powers asked if the signatures can be electronic or if they have to be wet signatures. Ms. Cochrane responded that the regulations do not specify. She added that it is an issue that is being reviewed.

Mr. Holt commented that not all application types should have the same signature requirements. He noted that the application types are very different in terms of the degree of importance.

Ms. Reiter commented that, in regard to a problematic institution, any application type could have a significant negative impact on students.

Public Comment

Angela Perry provided a public comment.

Agenda Item #8 - Discussion of The Adoption of Reasonable Rules for the Conduct Of Advisory Committee Affairs (Pursuant to Senate Bill 802 (Roth, Chapter 552, Statutes Of 2021))

Ms. Cochrane opened up a discussion on the adoption of reasonable rules for the conduct of the Advisory Committee affairs. She referred the Committee to the Advisory Committee Handbook included in the meeting materials.

Mr. Holt commented on the portion of the handbook that discusses "collective will." He stated that holding to a more formal motion process could help the Committee express a collective will.

Ms. Reiter commented that in some cases forcing the Committee into a collective view is counterproductive. She added that the rules are flexible enough to allow for motions if a member wants to get a collective view, but that making a motion is not necessarily a requirement for the Bureau to hear opinions from Committee members.

Public Comment

No public comment.

Agenda #9 – Suggestions for Future Agenda Items

Ms. Reiter suggested the Bureau perform a financial analysis on the cost of school closures to determine the need for a bond.

Ms. Reiter suggested having a discussion on the relationship between federal complaint handling and the Bureau's state authorization contract process to include complaint resolution data regarding state authorization contracted institutions.

Ms. Reiter suggested having a discussion on programs under 32 hours no longer needing approval. She noted that approved schools offering less than 32-hour programs with no oversight and programs over 32 hours could lead to students assuming all programs are covered by Bureau oversight.

Ms. Reiter requested a discussion on what information is available and could be available on the Bureau website. Ms. Delgado also requested more consideration regarding the Bureau website.

Ms. Reiter requested information on how far back in time SAIL data goes.

Ms. Reiter suggested considering whether the Bureau should have a Sunset date set.

Mr. Holt requested that Bureau staff provide forward modeling on the new STRF Assessment rate.

Public Comment

Angela Perry provided a public comment.

Agenda #10 – Adjournment

The meeting adjourned at 1:56 pm.

Agenda Item 4

REMARKS BY A REPRESENTATIVE OF THE DEPARTMENT OF CONSUMER AFFAIRS

(Note: May include updates pertaining to the Bureau's Operations, Human Resources, Department's Administrative Services, Fees, Enforcement, Information Technology and BreEZe, Communications and Outreach, as well as Regulatory and Policy Matters)

BUREAU OPERATIONS UPDATE RELATED TO THE FOLLOWING:

- a.** IT Systems Project
- b.** Licensing Report
- c.** Quality of Education Report
- d.** Annual Report Update
- e.** Compliance and Discipline Report
- f.** Complaint and Investigation Report
- g.** Office of Student Assistance and Relief (OSAR) Report
- h.** Student Tuition Recovery Fund (STRF) Report

IT SYSTEMS PROJECT

LICENSING REPORT

Licensing Applications Status as of April 1, 2022 for Fiscal Year 21/22

| Type | Received FY 21/22 | Pending Assignment (Queue) | Under Review | Total Pending | Approved | Withdrawn or Abandoned | Denied | Total Closed | Average Days to Approve ^a |
|---------------------------|-------------------|----------------------------|--------------|---------------|------------|------------------------|-----------|--------------|--------------------------------------|
| New Full Approval | 19 | 13 | 46 | 59 | 19 | 9 | 3 | 12 | 445 |
| New Accreditation | 21 | 0 | 9 | 9 | 17 | 10 | 0 | 10 | 124 |
| Renewal Full | 59 | 0 | 122 | 122 | 27 | 3 | 1 | 4 | 416 |
| Renewal Accreditation | 53 | 0 | 44 | 44 | 54 | 1 | 0 | 1 | 246 |
| Changes Full | 108 | 0 | 77 | 77 | 87 | 15 | 4 | 19 | 141 |
| Changes Accreditation | 148 | 0 | 53 | 53 | 140 | 22 | 0 | 22 | 120 |
| Verification of Exemption | 184 | 0 | 39 | 39 | 160 | 0 | 61 | 61 | 49 |
| Out of State Registration | 50 | 0 | 13 | 13 | 43 | 4 | 0 | 4 | 35 |
| Totals: | 642 | 13 | 403 | 416 | 547 | 64 | 69 | 133 | 197 |

^aAverage Days to Approve is calculated from time assigned to analyst.

* 25 applications pending new term of accreditation.

Oldest Pending Full Applications (as of 4/1/2022)

| | | |
|--|------------|---|
| Oldest Full Apps in Queue: | 6/22/2021 | Application incomplete |
| Oldest Full Apps Under Review: | 1/30/2019 | 31957 Def Ltr #4 sent. Extension to 5/18/2022 |
| Oldest Renewal Full Apps Under Review: | 4/10/2017 | App 30098 Discipline issues |
| Median Date of Full Apps in Queue: | 11/15/2021 | |

Total Number of Schools by Location Type & Approval Type

| Location Type | Mains | Branches | Satellites | Total |
|---------------|-------------------|-----------------------|--------------------------|--------------------------|
| | | 965 | 358 | 513 |
| Approval Type | ABMA (Accredited) | Full (Non-Accredited) | Conditional ^a | Provisional ^b |
| | | 413 | 526 | 1 |

110 Approved Out of State Registrations as of 4/29/2022

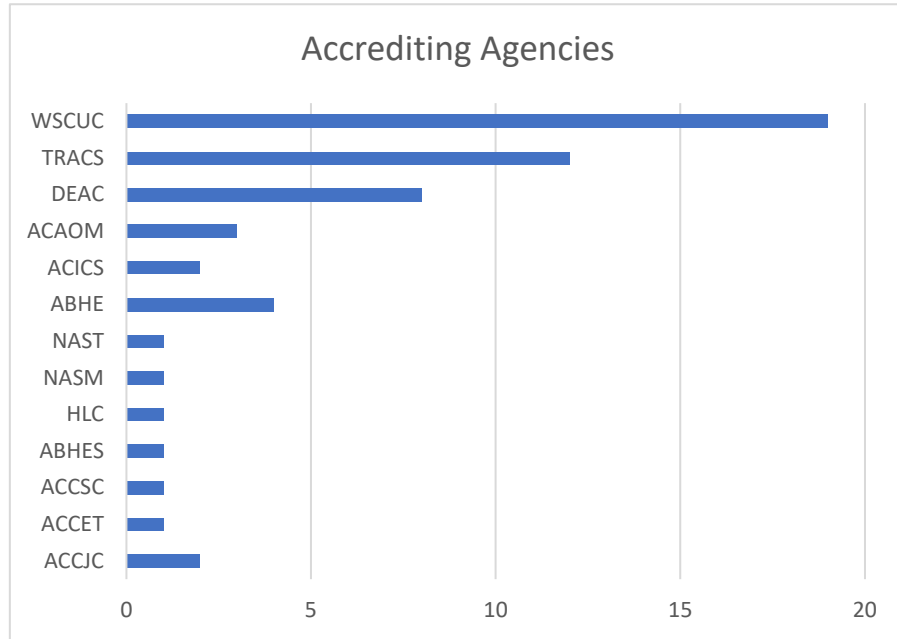
^aConditional Approvals are issued for a period up to six months when minor deficiencies exist but the institution is substantially in compliance with the requirements of the laws and regulations (California

^bProvisional Approvals are issued to unaccredited institutions seeking approval to offer one or more degree programs and must satisfy the requirements under California Education Code section 94885.5.

QUALITY OF EDUCATION REPORT

SB 1247 Institutions that Achieved Accreditation & Accreditor Chosen

| | |
|-------|----|
| ACCJC | 2 |
| ACCET | 1 |
| ACCSC | 1 |
| ABHES | 1 |
| HLC | 1 |
| NASM | 1 |
| NAST | 1 |
| ABHE | 4 |
| ACICS | 2 |
| ACAOM | 3 |
| DEAC | 8 |
| TRACS | 12 |
| WSCUC | 19 |
| Total | 56 |



- ABHE:** Association for Biblical Higher Education
- ABHES:** Accrediting Bureau of Health Education Schools
- ACAOM:** Accrediting Commission for Accupuncture & Oriental Medicine
- ACCJC:** Accrediting Commission for Community and Junior Colleges
- ACCET:** Accrediting Council for Continuing Education & Training
- ACCSC:** Accrediting Commission of Career Schools and Colleges
- ACICS:** Accrediting Commission for Independent Colleges and Schools
- HLC:** Higher Learning Commission
- DEAC:** Distance Education Accrediting Commission
- NASM:** National Association of Schools of Music
- NAST:** National Association of Schools of Theater
- TRACS:** Transnational Association of Christian Colleges and Schools
- WSCUC:** WASC Senior College and University Commission

STATUS OF SB 1247 INSTITUTIONS

CEC 94885.1 Schools (Approved to Offer Degree Programs as of Jan 1, 2015)

| | |
|-------------------------------|-----------------|
| Closed or Approval Expired | 49 |
| Exempt | 19 |
| Surrendered Degree Program(s) | 22 |
| Currently Suspended | 4 |
| Accredited | 44 |
| On Approved Extension | <u>4</u> |
| TOTAL | 142 |

CEC 94885.5 Schools (Provisionally Approved to Offer Degree Programs)

| | |
|-------------------------------|------------------|
| Closed | 12 |
| Exempt | 2 |
| Surrendered Degree Program(s) | 7 |
| Currently Suspended | 5 |
| Accredited | 12 |
| Pursuing Accreditation | <u>32</u> |
| Total | 70 |

Number of institutions since 2015 whose degree programs were suspended:

2015 - 11
2016 - 0
2017 - 13
2018 - 1
2019 - 6
2020 - 12
2021 - 3
2022- 1

As of April 27, 2022

ANNUAL REPORT UPDATE

COMPLIANCE AND DISCIPLINE REPORT

BPPE COMPLIANCE STATS

COMPLIANCE STATS AS OF March 31, 2022

| Compliance Stats | 2017 (Calendar) | 2018 (Calendar) | 2019 (Calendar) | 2020 (Calendar) | 2021 (Calendar) | 2022 (Jan. 1 - Mar. 31) |
|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|------------------------------------|
| Total Completed Inspections | 85 | 155 | 305 | 128 | 186 | 98 |
| ACI - Announced Inspections | 51 | 63 | 63 | 42 | 87 | 49 |
| UCI - Unannounced Inspections | 34 | 92 | 242 | 86 | 99 | 49 |
| Notice To Comply Issued | 47 | 65 | 49 | 11 | 17 | 21 |
| Enforcement Referral Issued | 36 | 56 | 93 | 26 | 60 | 33 |
| Inspections Cancelled * | N/A** | 7 | 18 | 12 | 13 | 15 |

*Causes for Cancellations:

- (1) The school closed during inspection process.
- (2) The school surrendered approval.
- (3) The school refused to allow inspection resulting in further action.
- (4) The school was not at the physical location listed in SAIL.
- (5) The renewal to operate was denied.

**Not Applicable because this data was not being collected in 2017.

**2017
(Calendar)
Percentages:**
Announced: 60.0
Unannounced: 40.0

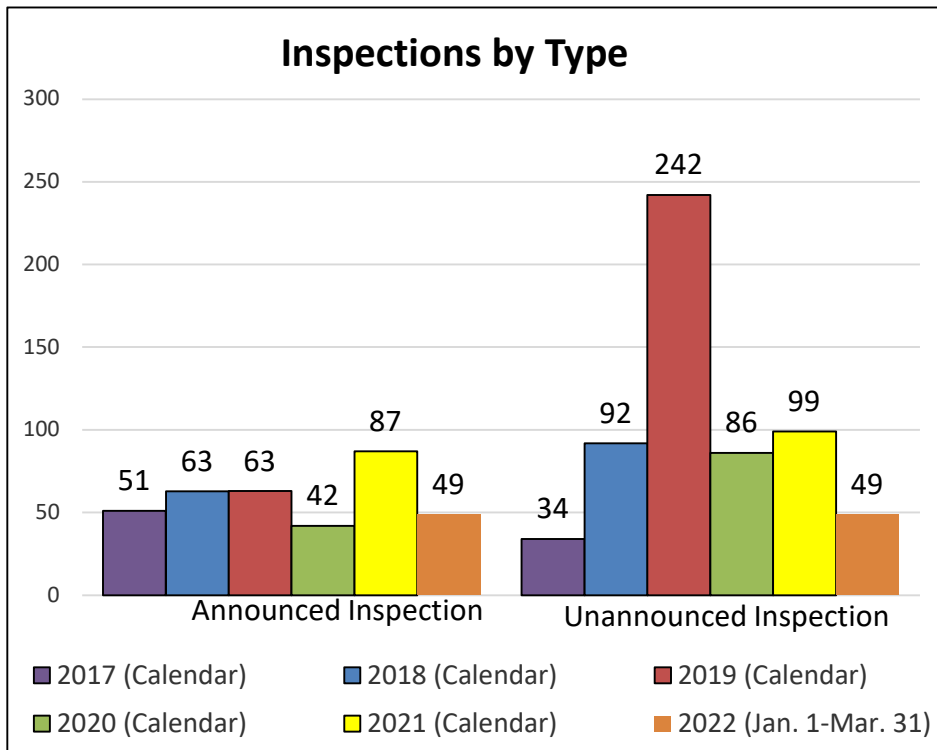
**2018
(Calendar)
Percentages:**
Announced: 40.6
Unannounced: 59.4

**2019
(Calendar)
Percentages:**
Announced: 20.7
Unannounced: 79.3

**2020
(Calendar)
Percentages:**
Announced: 32.8
Unannounced: 67.2

**2021
(Calendar)
Percentages:**
Announced: 46.8
Unannounced: 53.2

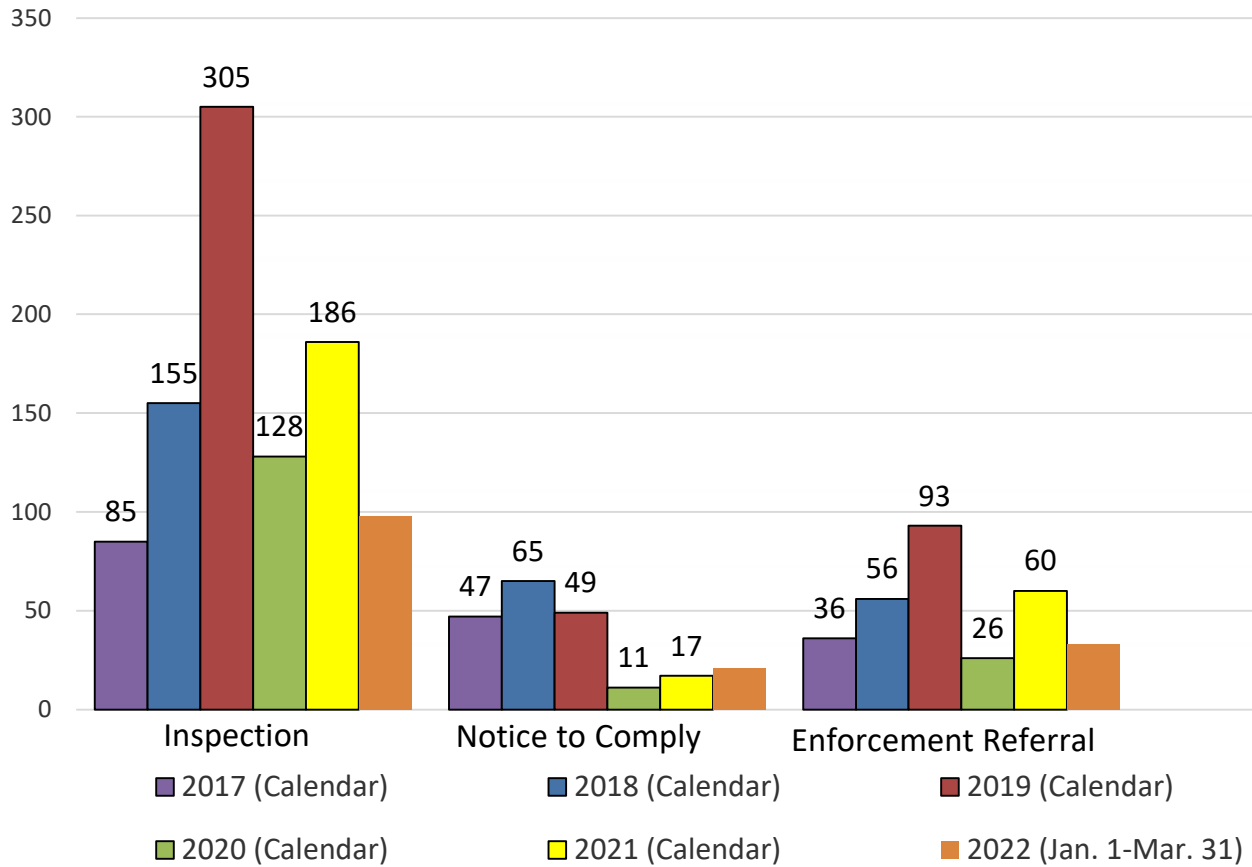
**2022
(Jan.1 - Mar. 31)
Percentages:**
Announced: 50.0
Unannounced: 50.0



| |
|--|
| 2017 (Calendar) Total Inspections: 85 |
| 2018 (Calendar) Total Inspections: 155 |
| 2019 (Calendar) Total Inspections: 305 |
| 2020 (Calendar) Total Inspections: 128 |
| 2021 (Calendar) Total Inspections: 186 |
| 2022 (Jan. 1 - Mar. 31) Total Inspections: 98 |

BPPE COMPLIANCE STATS

Completed Inspection Comparison



| | 2017 (Calendar) | 2018 (Calendar) | 2019 (Calendar) | 2020 (Calendar) | 2021 (Calendar) | 2022 (Jan.1 - Mar. 31) |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------------|
| Announced Compliance Inspection (ACI) | 51 | 63 | 63 | 42 | 87 | 49 |
| Unannounced Compliance Inspection (UCI) | 34 | 92 | 242 | 86 | 99 | 49 |
| Total Compliance Inspections Completed (ACI + UCI) | 85 | 155 | 305 | 128 | 186 | 98 |
| Notice to Comply (NTC) | 47 | 65 | 49 | 11 | 17 | 21 |
| Enforcement Referral (ER) | 36 | 56 | 93 | 26 | 60 | 33 |

Statement of Issues

| Actions | 2018 (Calendar) | 2019 (Calendar) | 2020 (Calendar) | 2021 (Calendar) | 2022 (Jan. 1-Mar. 31) |
|---|--------------------|--------------------|--------------------|--------------------|--------------------------|
| In-House Default: Denial Upheld | 6 | 0 | 0 | 0 | 0 |
| Proposed Decision: Denial Upheld | 2 | 5 | 0 | 2 | 0 |
| Proposed Decision: Conditional Approval Granted | 0 | 1 | 0 | 0 | 0 |
| Stipulated Settlement: Denial Upheld (School Closure) | 1 | 0 | 0 | 0 | 0 |
| Stipulated Settlement: Conditional Approval Granted | 1 | 0 | 0 | 0 | 0 |
| Withdrawn: Approval Granted (Mitigation cured deficiencies) | 11 | 13 | 7 | 3 | 0 |
| Withdrawn: Denial Upheld (School withdrew appeal) | 7 | 6 | 6 | 1 | 2 |
| Withdrawn: Exempt Institution | 1 | 1 | 2 | 2 | 0 |
| Totals: | 29 | 26 | 15 | 8 | 2 |

BPPE DISCIPLINE STATS

Accusations

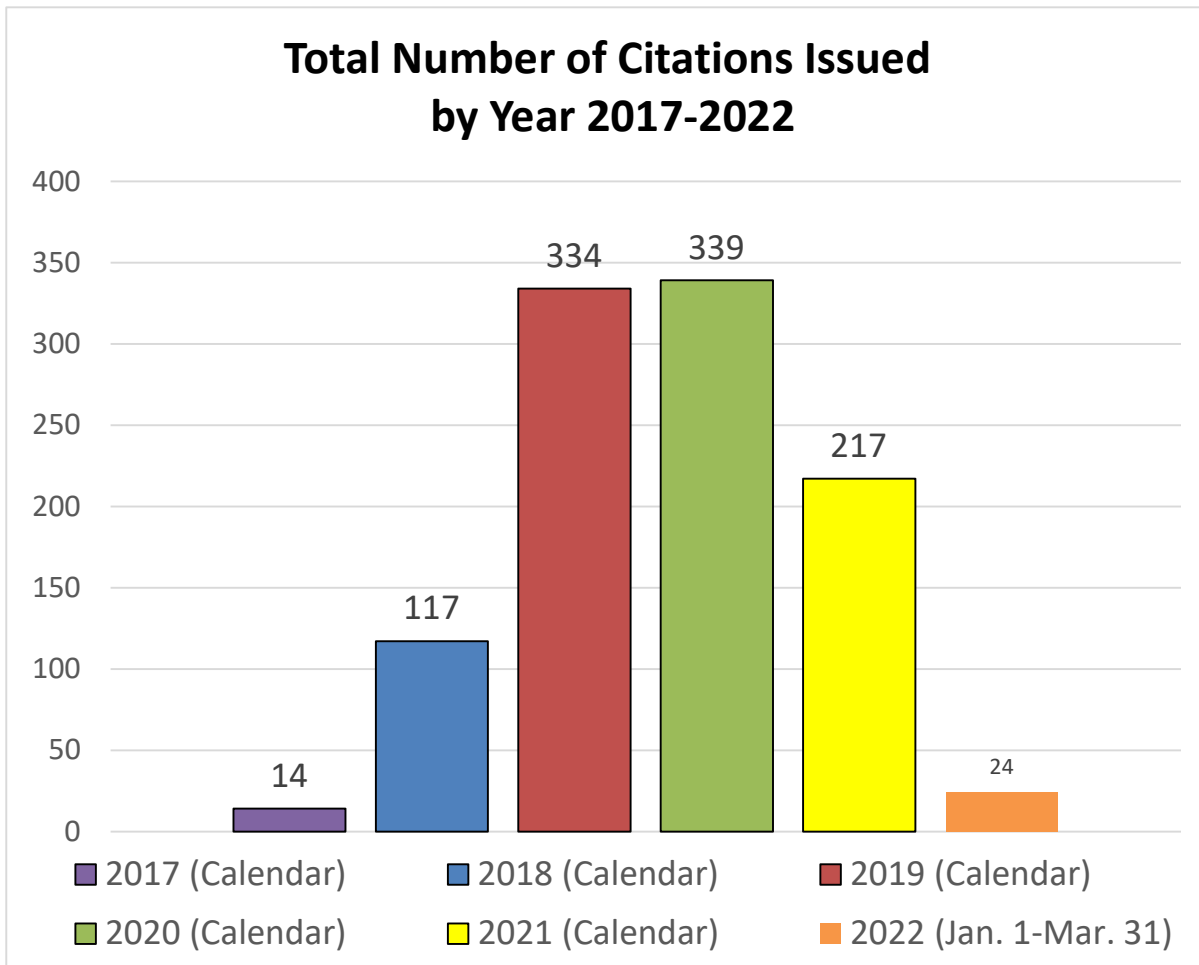
| Actions | 2018 (Calendar) | 2019 (Calendar) | 2020 (Calendar) | 2021 (Calendar) | 2022 (Jan. 1-Mar. 31) |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------------|
| Default: Revocation | 1 | 0 | 5 | 6 | 0 |
| PC 23 | 1 | 1 | 0 | 0 | 0 |
| Proposed Decision: Probation Granted | 0 | 1 | 0 | 0 | 0 |
| Proposed Decision: Revocation | 1 | 0 | 1 | 0 | 0 |
| Rejected by DAG | 0 | 3 | 0 | 2 | 0 |
| Stipulated Settlement Probation | 0 | 5 | 1 | 1 | 0 |
| Stipulated Surrender | 2 | 4 | 4 | 4 | 0 |
| Stipulated Settlement - Public Reproval | 0 | 0 | 1 | 0 | 0 |
| Withdrawn By Bureau: Citation Issued | 1 | 1 | 0 | 0 | 0 |
| Withdrawn by Bureau: Violations Resolved | 0 | 0 | 0 | 0 | 1 |
| Withdrawn by Bureau: Renewal Granted | 2 | 0 | 0 | 0 | 0 |
| Totals: | 8 | 15 | 12 | 13 | 1 |

| Automatic Suspensions | 2018 (Calendar) | 2019 (Calendar) | 2020 (Calendar) | 2021 (Calendar) | 2022 (Jan. 1-Mar. 31) |
|------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------------|
| Automatic Suspensions | 1 | 4 | 13 | 3 | 1 |

| Emergency Decisions | 2018 (Calendar) | 2019 (Calendar) | 2020 (Calendar) | 2021 (Calendar) | 2022 (Jan. 1-Mar. 31) |
|----------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------------|
| Emergency Decisions | 4 | 1 | 1 | 0 | 0 |

| Pending with AG as of 03/31/2022 | Total Transmitted | Total Served of Transmitted |
|---|------------------------------|--|
| Accusations | 12 | 6 |
| Statement of Issues | 3 | 1 |
| Totals: | 15 | 7 |

BPPE CITATION STATS



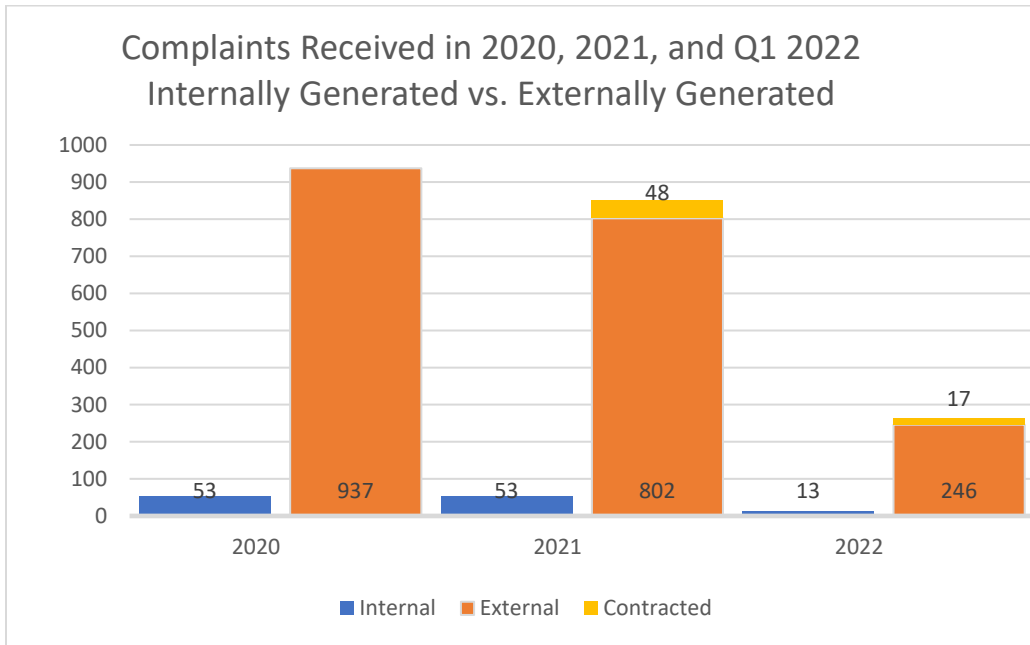
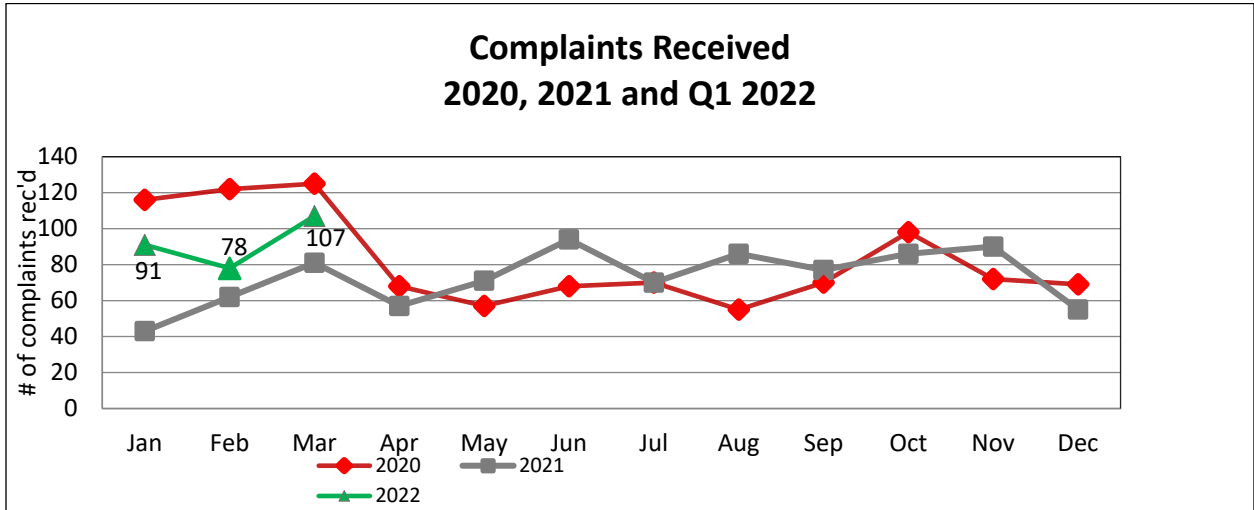
| | 2017 (Calendar) | 2018 (Calendar) | 2019 (Calendar) | 2020 (Calendar) | 2021 (Calendar) | 2022 (Jan. 1-Mar. 31) |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------------|
| Citations Issued | 14 | 117 | 334 | 339 | 217 | 24 |
| Number of Schools Cited | 14 | 115 | 308 | 333 | 217 | 24 |

For the past five years, the most common violations for which citations are issued are:

- Operating an unapproved institution (unlicensed activity).
- Failure to submit Annual Fee and/or Student Tuition Recovery Fund Assessment.
- Failure to submit Annual Report and/or School Performance Fact Sheet.

COMPLAINT AND INVESTIGATION REPORT

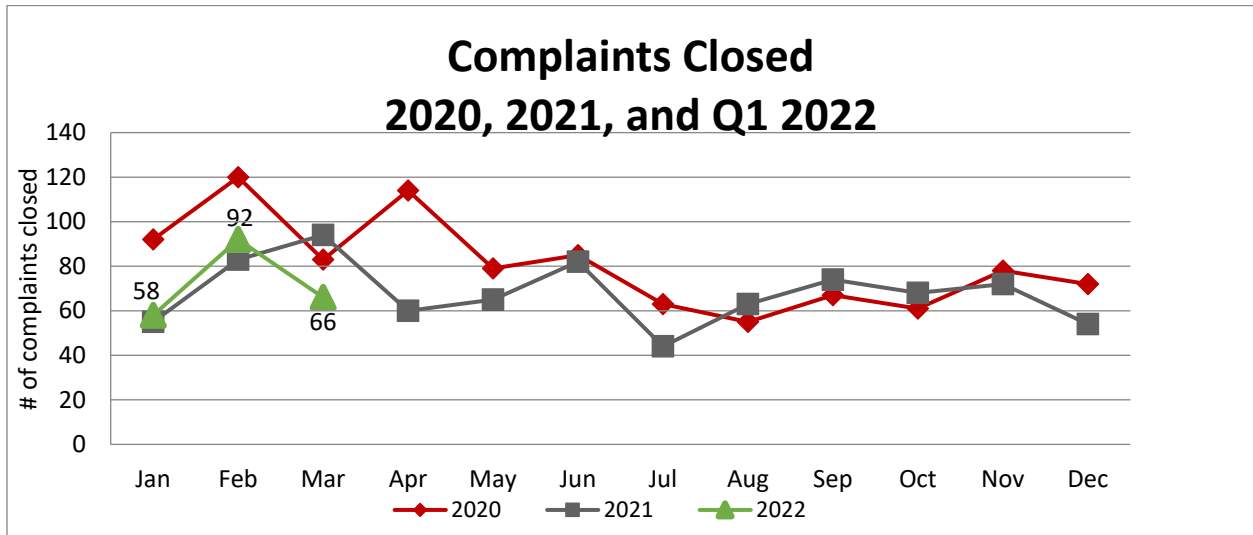
COMPLAINT INVESTIGATIONS STATISTICS
BPPE Advisory Committee Meeting
May 17, 2022



| Q1 Complaints | |
|------------------------------------|-----|
| Total complaints received | 273 |
| Total schools receiving complaints | 194 |
| COVID related complaints received | 39 |
| COVID related complaints closed | 25 |

| Q1 Contracted School Complaints | |
|--|----|
| Contracted complaints rec'd | 17 |
| Contracted complaints closed | 16 |

COMPLAINT INVESTIGATIONS STATISTICS
BPPE Advisory Committee Meeting
May 17, 2022



| CASE DISPOSITION - Q1 | % | # |
|--|-------------|------------|
| Referrals to Discipline Unit for further action* | 2% | 5 |
| Compliance Obtained | 2% | 5 |
| Mediated Settlement and Resolved by School | 5% | 10 |
| Non-Jurisdictional - Closed Schools/STRF | 2% | 4 |
| Non-jurisdictional - Referrals to Other Agency | 19% | 41 |
| Exempt | 20% | 43 |
| Duplicate Entry | 7% | 17 |
| Consolidated Case | 5% | 11 |
| Not Substantiated - No Confirmed Violation | 24% | 52 |
| Not Substantiated - Insufficient Evidence to Confirm Violation | 4% | 8 |
| Other Closure Reasons | 4% | 8 |
| State Authorization Contract - Mediated Settlement | 2% | 4 |
| State Authorization Contract - Unable to Resolve | 3% | 7 |
| State Authorization Contract - Referred to Other Agency | 0% | 1 |
| TOTAL | 100% | 214 |

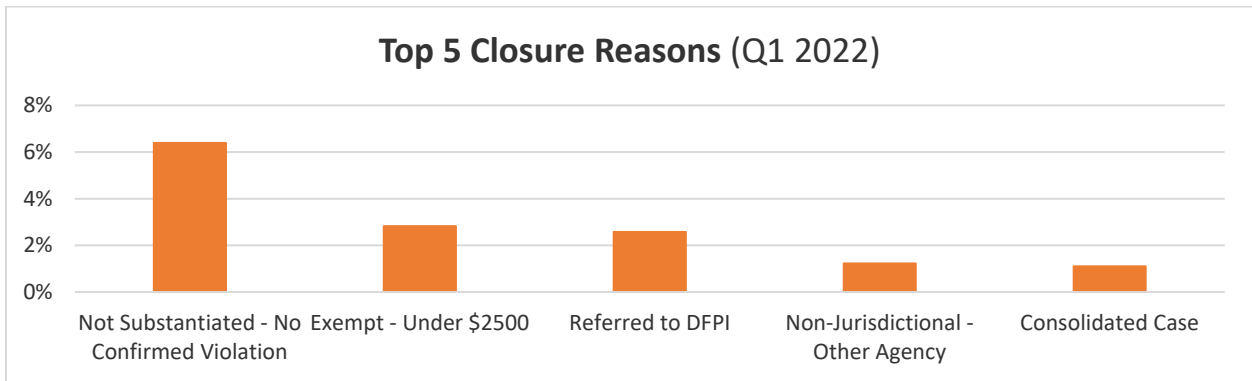
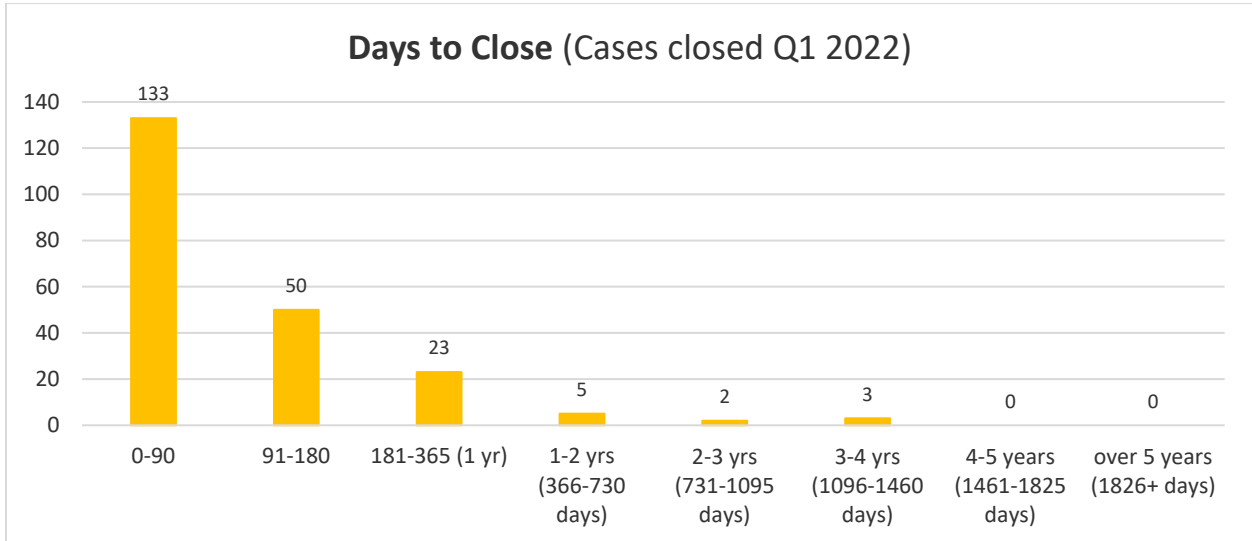
| COMPLAINTS CLOSED | |
|-------------------|------------|
| Month | 2022 |
| Jan | 58 |
| Feb | 92 |
| Mar | 66 |
| Apr | |
| May | |
| Jun | |
| Jul | |
| Aug | |
| Sep | |
| Oct | |
| Nov | |
| Dec | |
| Total | 216 |

**Transferred to the Discipline Unit. Discipline Unit determines whether further action is citation or disciplinary action.*

COMPLAINT INVESTIGATIONS STATISTICS

BPPE Advisory Committee Meeting

May 17, 2022



COMPLAINT INVESTIGATIONS STATISTICS

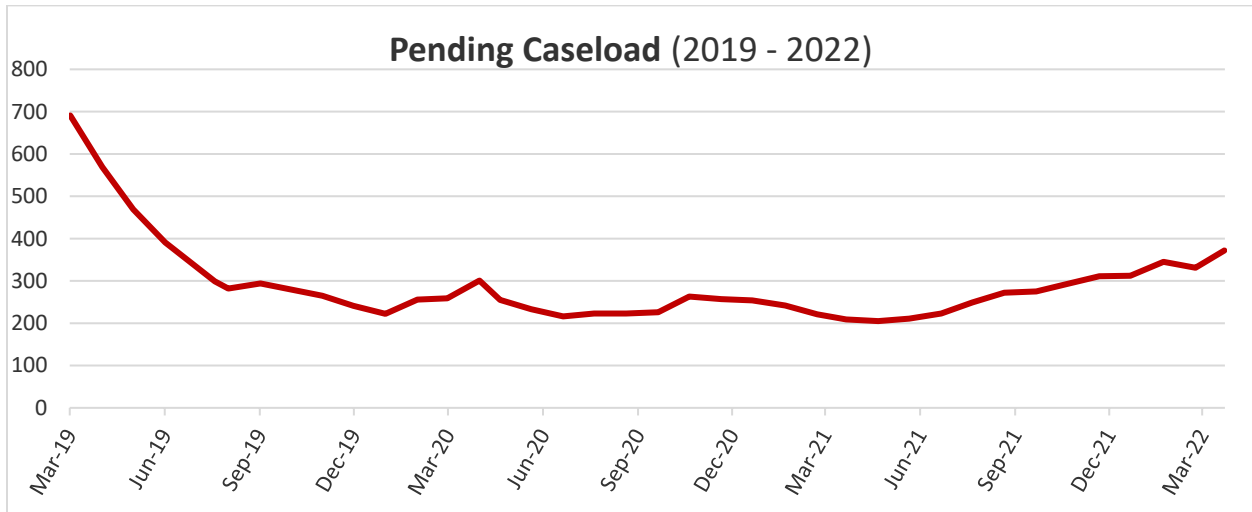
BPPE Advisory Committee Meeting

May 17, 2022

PENDING CASELOAD AS OF 3/31/22

| CASE AGE | PENDING | | EXT-STUDENT | | URGENT | |
|-------------------------------|------------|-------------|-------------|-------------|-----------|-------------|
| | # | % | # | % | # | % |
| 0-90 | 160 | 43.0% | 91 | 38.4% | 47 | 48.0% |
| 91-180 | 83 | 22.3% | 62 | 26.2% | 32 | 32.7% |
| 181-365 (1 yr) | 108 | 29.0% | 73 | 30.8% | 17 | 17.3% |
| 1-2 yrs (366-730 days) | 15 | 4.0% | 8 | 3.4% | 2 | 2.0% |
| 2-3 yrs (731-1095 days) | 4 | 1.1% | 2 | 0.8% | 0 | 0.0% |
| 3-4 yrs (1096-1460 days) | 1 | 0.3% | 0 | 0.0% | 0 | 0.0% |
| 4-5 years (1461-1825 days) | 1 | 0.3% | 1 | 0.4% | 0 | 0.0% |
| over 5 years (1826+ days) | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| TOTAL | 372 | 100% | 237 | 100% | 98 | 100% |

64% of pending 26% of pending



COMPLAINT INVESTIGATIONS STATISTICS
BPPE Advisory Committee Meeting
May 17, 2022

Student Impact (January – March 2022)

- Total of **\$24,209.66** in refunds to students or to their federal student aid account.
- Students received degree, diploma, proofs-of-training, certificate, license, and transcripts.
- Students re-enrolled in program.
- Students referred for Student Tuition Recovery Fund.
- Students placed in externships.
- Provided assistance to student with teaching credentialing requirement.
- Compliance obtained or school policy updated.

OFFICE OF STUDENT ASSISTANCE AND RELIEF (OSAR) REPORT

Office of Student Assistance and Relief

2021/22 State Fiscal Year

Data as of April 29, 2022



CHART A: INFORMED CHOICE OUTREACH AND EDUCATIONAL ACTIVITIES

| Student Outreach Activity | Event Type | Event Date | Event Location | Total Students Served |
|--|---|------------|-------------------------------|-----------------------|
| California Transition Assistance Program Homeport California, Camp Pendleton Virtual Workshop | Virtual Student Workshop / Presentation | 7/8/2021 | Yuba County, CA | 28 |
| California Transition Assistance Program Travis Air Force Base Virtual Workshop | Virtual Student Workshop / Presentation | 7/9/2021 | Travis Air Force Base, CA | 22 |
| California Transition Assistance Program Beale Air Force Base Virtual Workshop | Virtual Student Workshop / Presentation | 7/22/2021 | Riverside County, CA | 11 |
| Informational Meeting for Independence University Students | Virtual Student Workshop / Presentation | 8/10/2021 | Virtual Event | 484 |
| California Transition Assistance Program Presidio of Monterey Virtual Workshop | Virtual Student Workshop / Presentation | 8/13/2021 | Monterey, CA | 27 |
| California Transition Assistance Program Marine Corps Recruit Depot Virtual Workshop | Virtual Student Workshop / Presentation | 9/2/2021 | San Diego, CA | 22 |
| California Transition Assistance Program Naval Air Station Lemoore Virtual Workshop | Virtual Student Workshop / Presentation | 9/8/2021 | Kings County, CA | 13 |
| California Transition Assistance Program Fort Irwin Virtual Workshop | Virtual Student Workshop / Presentation | 9/8/2021 | Fort Irwin, CA | 17 |
| California Transition Assistance Program Travis Air Force Base Virtual Workshop | Virtual Student Workshop / Presentation | 9/10/2021 | Travis Air Force Base, CA | 11 |
| California Transition Assistance Program Strategies to Support Your College Savings Goals | Virtual Student Workshop / Presentation | 9/16/2021 | Virtual Event | 12 |
| Latino College Expo | Virtual College Fair | 9/18/2021 | Virtual Event | 354 |
| California Transition Assistance Program Vandenberg Air Force Base Virtual Workshop | Virtual Student Workshop / Presentation | 9/24/2021 | Vandenberg Air Force Base, CA | 21 |
| California Transition Assistance Program Education Benefits Virtual Workshop at City College of San Francisco | Virtual Student Workshop / Presentation | 10/7/2021 | San Francisco, CA | 30 |
| California Transition Assistance Program Beale Air Force Base Virtual Workshop | Virtual Student Workshop / Presentation | 10/14/2021 | Yuba County, CA | 24 |
| California Transition Assistance Program Presidio of Monterey Virtual Workshop | Virtual Student Workshop / Presentation | 11/4/2021 | Monterey, CA | 7 |
| California Transition Assistance Program March Air National Guard (ANG) Virtual Workshop | Virtual Student Workshop / Presentation | 11/10/2021 | March Air Reserve Base, CA | 10 |
| Los Angeles Unified School District College Fair at Santee Education Complex | College Fair | 12/7/2021 | Los Angeles, CA | 40 |
| California Transition Assistance Program Travis Air Force Base Virtual Workshop | Virtual Student Workshop / Presentation | 12/10/2021 | Travis Air Force Base, CA | 22 |
| California Transition Assistance Program Beale Air Force Base Virtual Workshop | Virtual Student Workshop / Presentation | 1/20/2022 | Yuba County, CA | 13 |
| California Transition Assistance Program Travis Air Force Base Workshop | Student Workshop / Presentation | 1/21/2022 | Travis Air Force Base, CA | 27 |
| California Transition Assistance Program March Air Reserve Base Virtual Workshop | Virtual Student Workshop / Presentation | 1/26/2022 | Riverside County, CA | 6 |
| Steps to College Virtual Workshop | Virtual College Fair | 2/5/2022 | Sacramento, CA | 200 |
| California Transition Assistance Program 32nd Street Afloat Training Group Virtual Workshop | Virtual Student Workshop / Presentation | 2/23/2022 | San Diego, CA | 17 |

CHART A: INFORMED CHOICE OUTREACH AND EDUCATIONAL ACTIVITIES (CONTINUED)

| Student Outreach Activity | Event Type | Event Date | Event Location | Total Students Served |
|--|---|------------|---------------------------|-----------------------|
| California Transition Assistance Program Homeport California, Camp Pendleton Virtual Workshop | Virtual Student Workshop / Presentation | 2/24/2022 | San Diego, CA | 36 |
| California Transition Assistance Program Presidio of Monterey Virtual Workshop | Virtual Student Workshop / Presentation | 2/28/2022 | Monterey, CA | 13 |
| California Transition Assistance Program Los Angeles Space Force Base Virtual Workshop | Virtual Student Workshop / Presentation | 3/2/2022 | Los Angeles, CA | 12 |
| California Transition Assistance Program Fort Irwin Workshop | Student Workshop / Presentation | 3/15/2022 | Fort Irwin, CA | 25 |
| Department of Financial Protection & Innovation Student Loan Borrower Webinar | Presentation | 3/29/2022 | Virtual Event | 339 |
| California Transition Assistance Program Travis Air Force Base Workshop | Student Workshop / Presentation | 4/8/2022 | Travis Air Force Base, CA | 17 |
| California Transition Assistance Program Beale Air Force Base Workshop | Student Workshop / Presentation | 4/14/2022 | Yuba County, CA | 10 |
| California Transition Assistance Program Naval Air Station Lemoore Virtual Workshop | Virtual Student Workshop / Presentation | 4/20/2022 | Kings County, CA | 7 |
| | | | TOTAL | 1,877 |

CHART B: MISC. STUDENT OUTREACH EFFORTS

| Student Outreach Activity | Event Type | Event Date | Event Location | Total Students Served |
|--|----------------|------------|-------------------|-----------------------|
| General Assembly (Branch) | Email Outreach | 7/6/2021 | Santa Monica, CA | 7 |
| American Tech and Management University, Inc. | Email Outreach | 7/6/2021 | Pleasanton, CA | 23 |
| Advanced Computer Training Schools dba Alliance Career Training Schools | Email Outreach | 7/6/2021 | Salinas, CA | 18 |
| Fashion Institute of Design & Merchandising (Branch) | Email Outreach | 7/6/2021 | San Francisco, CA | 57 |
| Heavy Equipment Colleges of America (Branch) | Email Outreach | 7/8/2021 | Fort Irwin, CA | 10 |
| Hackbright Academy | Email Outreach | 7/14/2021 | San Francisco, CA | 94 |
| Intrax English Academies, LLC d/b/a Stafford House International (Main) | Email Outreach | 8/5/2021 | San Francisco, CA | 10 |
| Intrax English Academies, LLC d/b/a Stafford House International (Branch) | Email Outreach | 8/5/2021 | San Diego, CA | 10 |
| California International University | Email Outreach | 9/2/2021 | Los Angeles, CA | 28 |
| Santa Barbara Business College (Branch) | Email Outreach | 9/15/2021 | Rancho Mirage, CA | 2 |
| American University of Complementary Medicine (Program) | Email Outreach | 9/16/2021 | Beverly Hills, CA | 11 |
| 160 California, LLC dba 160 Driving Academy (Branch) | Email Outreach | 9/16/2021 | Oceanside, CA | 23 |
| St. Giles Colleges Inc. | Email Outreach | 9/22/2021 | San Francisco, CA | 214 |
| California Medical College | Email Outreach | 9/23/2021 | San Diego, CA | 25 |

CHART B: MISC. STUDENT OUTREACH EFFORTS (CONTINUED)

| Student Outreach Activity | Event Type | Event Date | Event Location | Total Students Served |
|---|----------------|------------|-----------------|-----------------------|
| College of Botanical Healing Arts | Email Outreach | 9/23/2021 | Santa Cruz, CA | 13 |
| NTMA Training Centers of Southern California (Branch) | Email Outreach | 9/23/2021 | Ontario, CA | 35 |
| POLY Languages Institute (Branch) | Email Outreach | 11/4/2021 | Pasadena, CA | 35 |
| The Learning Source (Branch and Satellite) | Email Outreach | 11/10/2021 | Chula Vista, CA | 15 |
| Universal College of Beauty (Branch) | Email Outreach | 11/10/2021 | Inglewood, CA | 18 |
| Sierra Nevada College | Email Outreach | 11/10/2021 | Lake Tahoe, CA | 4 |
| Globe Institute of Recording and Production, Inc. (Program) | Email Outreach | 11/19/2021 | Sausalito, CA | 8 |
| Calvary Chapel University | Email Outreach | 11/30/2021 | San Diego, CA | 53 |
| Milan Institute of Cosmetology (Branch) | Email Outreach | 12/2/2021 | La Quinta, CA | 171 |
| Galvanize, Inc. (Branch) | Email Outreach | 12/9/2021 | San Jose, CA | 27 |
| Hawthorn University | Email Outreach | 12/9/2021 | Whitehorn, CA | 115 |
| Dialysis Training Institute, LLC | Email Outreach | 12/14/2021 | Buena Park, CA | 6 |
| Borner's Barber College | Email Outreach | 12/15/2021 | Long Beach, CA | 3 |
| Alhambra Beauty College | Email Outreach | 12/16/2021 | Alhambra, CA | 53 |
| Southern California International University | Email Outreach | 12/20/2021 | Los Angeles, CA | 8 |
| Napa Valley School of Massage | Email Outreach | 1/6/2022 | Napa, CA | 5 |
| Royal Hair Institute | Phone Outreach | 1/5/2022 | Los Angeles, CA | 8 |
| Adams University | Email Outreach | 1/7/2022 | Los Angeles, CA | 8 |
| Empire College | Email Outreach | 2/2/2022 | Santa Rosa, CA | 51 |
| Difai City College | Email Outreach | 2/3/2022 | Los Angeles, CA | 87 |
| Merit University | Email Outreach | 2/3/2022 | Los Angeles, CA | 19 |
| California University of Management and Sciences | Email Outreach | 2/3/2022 | Anaheim, CA | 53 |
| California Aeronautical University | Email Outreach | 2/4/2022 | Bakersfield, CA | 312 |
| Agape College of Business and Science | Email Outreach | 2/8/2022 | Fresno, CA | 16 |
| Bergin University of Canine Studies | Email Outreach | 2/8/2022 | Penngrove, CA | 24 |

CHART B: MISC. STUDENT OUTREACH EFFORTS (CONTINUED)

| Student Outreach Activity | Event Type | Event Date | Event Location | Total Students Served |
|---|----------------|------------|-----------------|-----------------------|
| Southern States University | Email Outreach | 2/9/2022 | San Diego, CA | 90 |
| Broadview University, Inc. | Email Outreach | 2/9/2022 | West Jordan, UT | 4 |
| Beverly Hills Design Institute | Email Outreach | 2/9/2022 | Los Angeles, CA | 17 |
| Southern States University (Branch) | Email Outreach | 2/9/2022 | Irvine, CA | 121 |
| Southwestern California University | Email Outreach | 2/10/2022 | Fullerton, CA | 15 |
| Hubbard College of Administration International | Email Outreach | 2/10/2022 | Los Angeles, CA | 12 |
| San Diego University for Integrative Studies | Email Outreach | 2/11/2022 | San Diego, CA | 161 |
| Nobel University | Email Outreach | 3/9/2022 | Los Angeles, CA | 106 |
| Nobel Univeristy (Branch) | Email Outreach | 3/9/2022 | Buena Park, CA | 39 |
| San Diego Global Knowledge University | Email Outreach | 3/9/2022 | San Diego, CA | 127 |
| | | | TOTAL | 2,371 |

CHART C: CLOSED SCHOOL OUTREACH WORKSHOPS

| Student Outreach Activity | Event Type | Event Date | Event Location | Total Students Served |
|--|--------------------------|------------|------------------|-----------------------|
| California College San Diego School Closure Outreach Event | Virtual Student Workshop | 8/4/2021 | San Diego, CA | 251 |
| Premiere Career College Program Closure Outreach Event | Student Workshop | 4/29/2022 | Baldwin Park, CA | 87 |
| | | | TOTAL | 338 |

STUDENT TUITION RECOVERY FUND (STRF) REPORT

Student Tuition Recovery Fund (STRF) Claims

2021/2022 State Fiscal Year (07/01/2021 to 06/30/2022)

2021/2022 State Fiscal Year (07/01/2021 to Current)

| STRF Claims Received | | |
|----------------------|-------------------|--------------------|
| State Fiscal Year | 20/21 End of Year | 21/22 Year to Date |
| Claims Received | 1,337 | 332 |

| STRF Claims Closed | | |
|--------------------------------|-------------------|--------------------|
| State Fiscal Year | 20/21 End of Year | 21/22 Year to Date |
| Claims Approved ¹ | 457 | 84 |
| Claims Ineligible ² | 79 | 95 |
| Claims Denied ² | 171 | 29 |
| Unable to Contact ³ | 138 | 89 |
| Total | 845 | 297 |

| Current STRF Claims | | |
|--|-------------------|--------------------|
| State Fiscal Year | 20/21 End of Year | 21/22 Year to Date |
| In Queue | 796 | 799 |
| Analyst Review | 153 | 250 |
| Waiting for Student Response | 198 | 119 |
| Analyst's First Review Complete / Recommendation Pending | 169 | 151 |
| Total | 1316 | 1319 |

| STRF Claims Approved for Payment (Amount) | | |
|---|-------------------|--------------------|
| State Fiscal Year | 20/21 End of Year | 21/22 Year to Date |
| Amount | \$6,492,131.21 | \$605,879.25 |

| STRF Claims Pending Payment - State Controller's Office | | |
|---|-------------------|--------------------|
| State Fiscal Year | 20/21 End of Year | 21/22 Year to Date |
| Amount | \$238,559.91 | \$147,456.09 |
| Claims | 15 | 20 |

Definitions

- | | |
|----------------------------------|--|
| Claims Approved ¹ | Claims Approved For Payment/Paid |
| Ineligible / Denied ² | Student Not Eligible For Payment and/or Claim Did Not Satisfy The Requirements of California Education Code §94923(b)(2) |
| Unable to Contact ³ | Staff Reached Out to Student via Phone, Email & Written Correspondence At Least Three Times |

| | | |
|--|---------------------|------------------------|
| Current Fund Balance: | \$16,437,720 | |
| Historical Fund Balances (State Fiscal Year Closing): | | |
| 2020-21 | \$15,817,000 | |
| 2019-20 | \$21,723,000 | |
| 2018-19 | \$25,100,695 | |
| 2017-18 | \$26,295,000 | |
| 2016-17 | \$28,497,000 | Data as of: 04/29/2022 |

Student Tuition Recovery Fund Claims

| Large Impact Closures From School Closure to Current (Total Impact) | | | | | | | | |
|--|----------------------------|---------------------------|------------------------|----------------------|--------------------------------------|--|--|--------------------------------|
| | STRF Claims Received | STRF Claims Pending | Ineligible / Denied | Unable to Contact | Number of STRF Claims Approved | Dollar Amount Paid to Student/Loan | Dollar Amount Paid - Ed Credit (To New School) | Total Dollar Amount Paid |
| Heald ² | 491 | 223 | 90 | 90 | 88 | \$770,239 | \$28,535 | \$798,775 |
| WyoTech ² | 170 | 31 | 45 | 36 | 58 | \$299,827 | \$0 | \$299,827 |
| Everest ² | 562 | 186 | 131 | 118 | 127 | \$494,394 | \$0 | \$494,394 |
| ITT Technical Institute | 309 | 8 | 155 | 82 | 64 | \$464,672 | \$38,190 | \$502,862 |
| Art Institute ³ | 103 | 13 | 25 | 8 | 57 | \$746,713 | \$0 | \$746,713 |
| Argosy ³ | 104 | 16 | 17 | 32 | 39 | \$549,790 | \$8,571 | \$558,361 |
| Silicon Valley | 1257 | 962 | 4 | 6 | 285 | \$5,207,316 | \$0 | \$5,207,316 |
| Brightwood ⁴ | 396 | 13 | 28 | 69 | 286 | \$1,344,930 | \$4,000 | \$1,348,930 |
| Golf Academy ⁴ | 18 | 2 | 1 | 1 | 14 | \$142,497 | \$5,950 | \$148,447 |

¹ These values may include STRF claims that were received prior to the 2021/22 State Fiscal Year but processed in the 2021/22 State Fiscal Year.

² Heald College, WyoTech, and Everest College were operated by Corinthian Colleges, Inc. - "STRF Claims Pending" includes claims that are awaiting a decision on their Federal Borrower Defense applications.

³ The Art Institute of California and Argosy University were operated by Dream Center Education Holdings, LLC.

⁴ Brightwood College and Golf Academy of America were operated by Education Corporation of America.

Data as of 04/29/2022

STATUS UPDATE AND DISCUSSION RELATED TO THE FOLLOWING REGULATIONS:

- a. Status on Annual Report/Labor Market Outcome Data Reporting (California Code of Regulations (CCR) Sections 74110, CEC Section 94892.6, AB 1340)
- b. Proposals Based on Recent Statutory Developments
 - i. Substantive Changes (California Code of Regulations (CCR) amend section 71650, add sections 71652 and 71653, CEC Section 94894(i)-(k), SB 802 (2021))
 - ii. Denial of Out-of-State Application (California Code of Regulations (CCR) section 71397, CEC section 94801.5(a), AB 1344 (2019))

| Title | Status Summary | ACM | DCA | Agency | Public Comment | OAL | Final |
|---|-----------------------------|------------|------------|---------------|-----------------------|------------|--------------|
| AB 1340 / Student Wage Data | DCA review. | 8/26/2021 | 2/7/2022 | 2/25/2022 | 3/15/22-4/29/22 | | |
| Out of State Institution Registration: Application | Working on cost estimate | 8/26/2021 | | | | | |
| Verification of Exempt Status | returned from DCA, revising | 8/26/2021 | 2/1/2022 | | | | |
| Ability to Benefit Repeal | returned from DCA, revising | 2/23/2022 | 3/14/2022 | | | | |
| Prohibited Change in Ownership During Accreditation | not proceeding | 2/23/2022 | | | | | |
| Exemption of Programs Under 32 Hours | returned from DCA, revising | 2/23/2022 | 3/15/2022 | | | | |
| Out of State Institution Registration, Conditions and Denials | Initial proposal drafted. | 5/17/2022 | | | | | |
| Reporting of Substantive Changes - 4 new applications | Initial proposal drafted. | 5/17/2022 | | | | | |
| Minimum Operating Standards | | 8/18/2022 | | | | | |

Agenda Item 6a

**STATUS ON ANNUAL REPORT/LABOR MARKET OUTCOME DATA REPORTING
(CALIFORNIA CODE OF REGULATIONS (CCR) SECTIONS 74110, CEC SECTION 94892.6,
AB 1340)**

PROPOSALS BASED ON RECENT STATUTORY DEVELOPMENTS

- i. Substantive Changes (California Code of Regulations (CCR) amend section 71650, add sections 71652 and 71653, CEC Section 94894(i)-(k), SB 802 (2021))**
- ii. Denial of Out-of-State Application (California Code of Regulations (CCR) section 71397, CEC section 94801.5(a), AB 1344 (2019))**

California Code of Regulations
Title 5. Education
Division 7.5. Private Postsecondary Education
Chapter 2. Applications
Article 7. Applications for a Substantive Change to an Approval to Operate
PROPOSED REGULATORY LANGUAGE CONCERNING SUBSTANTIVE CHANGE
APPROVAL

Legend—added text indicated by underline, deletion by strikethrough

1. Amend Section 71650, Article 7, Chapter 2, Division 7.5 of Title 5 of the California Code of Regulations

71650. Application for a Change in Educational Objectives.

(a) An institution seeking to change its educational objectives, including an increase or decrease of 25 percent or more in the number of clock hours or credit hours required for successful completion of a program under section 94894(i) of the Code, shall complete the “Change in Educational Objectives” form (OBJ rev. 2/10) to obtain prior authorization. The form shall be submitted to the Bureau along with the appropriate fee as provided in Section 94930.5(c) of the Code. For an institution approved under section 94885 of the Code it shall be signed and dated by the signatory(ies) required by section 71380, and for an institution approved under section 94890 of the Code it shall be signed and dated by the signatory(ies) required by section 71390, and each fact stated therein and each attachment thereto shall be declared to be true under penalty of perjury, in the following form:

“I declare

(Date)

(Signature)”

(b) For an application to add a degree program:

(1) “Unrelated to the approved educational programs” as used in section 94894(a) of the Code includes the addition of a degree program where no degree at that level was previously approved, whether or not the proposed program would offer a degree in the same subject area as a previously approved non-degree program or lower level degree; and a program leading to licensure whether or not the proposed program is in the same subject area as a previously approved program that did not lead to licensure.

(2) The owner of an institution approved pursuant to section 94886 of the Code seeking to add a degree-granting program must complete an accreditation plan under section

71105, or provide proof of accreditation with the scope of that accreditation covering the institution and at least one degree program.

(3) If an application is granted pursuant to this subdivision, the Bureau shall issue a provisional approval of no more than two degree programs for which approval is sought. Such approval of the program shall run in conjunction with any existing approval to operate the institution.

(c) The application shall establish that the institution, including any branch, can meet the minimum operating standards contained in Chapter 3, and shall include:

(1) The name, school code, address, website address, and telephone and fax numbers of the institution;

(2) The reasons for changing the educational objectives, and how the proposed change helps to further the institution's mission and objectives;

(3) When the institution proposes to change the educational objectives;

(4) The impact of the change on the financial resources of the institution, including the institution's ability to comply with section 71745;

(5) A description of the facility and equipment, as required by section 71260, required for the change;

(6) For addition of a new program, all information required by sections 71210 and 71220;

(7) If the application is for a change to an existing program, a description of the differences between any programs approved and the proposed programs, including differences in admissions standards, degree requirements, curricula, and standards for student achievement;

(8) A statement that the institution has contracted with duly qualified faculty that meet the requirements of section 71720;

(9) A description of library and other learning resources, as required by Section 71270, required for the proposed change;

(10) The name, address, email address, and telephone and fax numbers of the institution's contact person for the purpose of this application; and

(11) Any additional information required by the Bureau pursuant to section 71340.

(d) An institution that has been granted an approval to operate by means of accreditation shall notify the Bureau of the substantive change within 30 days of that

change on the Change in Educational Objectives form, by providing the information required by (c)(1) and (c)(10), and shall attach certification from the institution's accreditation agency demonstrating that the substantive change was made in accordance with the institution's accreditation standards, and complies with the Act and this Division.

Note: Authority cited: Sections 94803, 94877, 94885, 94885.5 and 94895, Education Code. Reference: Sections 94823.5, 94885, 94885.5, 94893, 94894, 94895, 94896 and 94930.5, Education Code.

2. Add Section 71652, Article 7, Chapter 2, Division 7.5 of Title 5 of the California Code of Regulations

71652. Application for a Change to Begin Participation in Federal Student Financial Aid Programs Authorized by Title IV of the Federal Higher Education Act of 1965, as Amended (20 U.S.C. Sec. 1070 et seq.)

71652 (a) An institution seeking to begin participation in federal Student Financial Aid Programs authorized by Title IV of the federal Higher Education Act of 1965, as amended (20 U.S.C. Sec. 1070 et seq.) shall complete the "Participation in Federal Student Financial Aid" form (AID rev. 2/22) which is hereby incorporated by reference, to obtain prior authorization. The form shall be submitted to the Bureau along with the appropriate fee for authorization of a substantive change as provided in Section 94930.5(c) of the Code. For an institution approved under section 94885 of the Code it shall be signed and dated by the signatory(ies) required by section 71380, and for an institution approved under section 94890 of the Code it shall be signed and dated by the signatory(ies) required by section 71390, and each fact stated therein and each attachment thereto shall be declared to be true under penalty of perjury, in the following form:

"I declare

(Date)

(Signature)"

(b) An institution that has been granted an approval to operate by means of accreditation shall notify the Bureau of the substantive change in their participation in federal student financial aid programs within 30 days of that change on the Participation in Federal Student Financial Aid form, and shall attach certification from the institution's accreditation agency demonstrating that the substantive change was made in

accordance with the institution's accreditation standards, and complies with the Act and this Division.

Note: Authority cited: Sections 94877 and 94895, Education Code. Reference: Sections 94893, 94894(j), 94895, 94896, and 94930.5, Education Code

3. Add Section 71653, Article 7, Chapter 2, Division 7.5 of Title 5 of the California Code of Regulations

71653. Application for a Change in Academic Measurement of an Educational Program From Clock Hours to Credit Hours

71653 (a) An institution seeking to change the academic measurement of an educational program from clock hours to credit hours shall complete the “Change From Clock Hours to Credit Hours” form (CREDIT rev. 2/22) which is hereby incorporated by reference, to obtain prior authorization. The form shall be submitted to the Bureau along with the appropriate fee for authorization of a substantive change as provided in Section 94930.5(c) of the Code. For an institution approved under section 94885 of the Code it shall be signed and dated by the signatory(ies) required by section 71380, and for an institution approved under section 94890 of the Code it shall be signed and dated by the signatory(ies) required by section 71390, and each fact stated therein and each attachment thereto shall be declared to be true under penalty of perjury, in the following form:

“I declare

(Date)

(Signature)”

(b) An institution that has been granted an approval to operate by means of accreditation shall notify the Bureau of the substantive change in their use of clock hours or credit hours within 30 days of that change on the Change From Clock Hours to Credit Hours form, and shall attach certification from the institution's accreditation agency demonstrating that the substantive change was made in accordance with the institution's accreditation standards, and complies with the Act and this Division.

Note: Authority cited: Sections 94877 and 94895, Education Code. Reference: Sections 94893, 94894(k), 94895, 94896, and 94930.5, Education Code



Bureau for Private Postsecondary Education
P.O. Box 980818
West Sacramento, CA 95798-0818

| |
|---|
| OFFICE USE ONLY |
| Date Stamp _____ |
| SAIL application # _____ |
| Application fee _____ Date _____ |
| School Code _____ |
| Revenue Code 1257009R / 1257009V |

Application for Change in Clock to Credit Hour

(California Education Code §§ 94894, 94896; Title 5, California Code of Regulations § 71653)

- Approved Institution \$500.00 non-refundable fee**
 Institution Approved By Means of Accreditation \$250.00 non-refundable fee

1. INSTITUTION

Name of Institution: _____ School Code _____

Address: _____

City _____ State _____ Zip _____

Phone Number: _____ Fax Number: _____

Website Address: _____

2. INSTITUTION'S CONTACT PERSON (for this application)

Name _____ Email Address _____

Address _____

City _____ State _____ Zip _____

Telephone Number _____ Fax Number _____

If this institution is approved by means of accreditation skip to #9.

Attached is a certified copy of the current verification of accreditation granted by the accrediting agency.

3. REASON FOR CHANGE

Provide a detailed explanation of the reasons for the proposed change to confer credit hours (units) instead of clock hours for each educational program proposed to change.

Document is attached: _____ Yes _____ No

4. DATE

Date of the proposed change? _____

5. TYPE OF CONVERSION

Indicate whether the institution is seeking to confer quarter or semester (or other) credit hours.

Document is attached: Yes No

6. CURRICULUM

Describe how the curriculum will be changed or adapted to meet the minimum requirements for the conferral of credit hours.

Document is attached: Yes No

7. CALCULATION

Describe proposed credit hour calculations by identifying and quantifying all types of instructional hours (including lecture, lab, practicum, and planned learning experiences as determined by duly qualified faculty responsible for evaluating learning outcomes from the award or unit credits).

Please check one: Yes No

Identify and quantify time outside of instruction which an institution requires a student to devote to preparation for planned learning experiences, such as preparation for instruction, study of course material, or completion of educational projects.

Document is attached: Yes No

8. ADDITIONAL INFORMATION

Include any material facts, which have not otherwise been disclosed in the application that might reasonably affect the Bureau’s decision to approve this application.

Document is attached: Yes No

The institution may also include any other facts that the institution would like the Bureau to consider in approving this application.

Document is attached: Yes No

9. DECLARATION UNDER PENALTY OF PERJURY

- Each owner of the institution, or
- If the institution is incorporated, by the chief executive officer of the corporation and each owner of 25 percent or more of the stock, or interest in the institution, or
- By each member of the governing body of a nonprofit corporation.

I declare under penalty of perjury under the laws of the State of California that the foregoing and all attachments are true and correct.

Signature _____ Date _____

Name _____

Address _____

City _____ State _____ Zip _____

Owning _____ % of Ownership Member, Board of Directors _____ General Partner _____

I declare under penalty of perjury under the laws of the State of California that the foregoing and all attachments are true and correct.

Signature _____ Date _____

Name _____

Address _____

City _____ State _____ Zip _____

Owning _____ % of Ownership Member, Board of Directors _____ General Partner _____

I declare under penalty of perjury under the laws of the State of California that the foregoing and all attachments are true and correct.

Signature _____ Date _____

Name _____

Address _____

City _____ State _____ Zip _____

Owning _____ % of Ownership Member, Board of Directors _____ General Partner _____

Attach Additional Sheet(s) if Necessary



Bureau for Private Postsecondary Education
P.O. Box 980818
West Sacramento, CA 95798-0818

| | |
|------------------------|----------------------------|
| OFFICE USE ONLY | |
| Date Stamp | _____ |
| SAIL application # | _____ |
| Application fee | _____ Date _____ |
| School Code | _____ |
| Revenue Code | 1257009R / 1257009V |

Application for Change to Begin Participation in Title IV
(California Education Code §§ 94894, 94896; Title 5, California Code of Regulations § 71652)

- Approved Institution \$500.00 non-refundable fee**
 Institution Approved By Means of Accreditation \$250.00 non-refundable fee

1. INSTITUTION

Name of Institution: _____ School Code _____

Address: _____

City _____ State _____ Zip _____

Phone Number: _____ Fax Number: _____

Website Address: _____

2. INSTITUTION'S CONTACT PERSON (for this application)

Name _____ Email Address _____

Address _____

City _____ State _____ Zip _____

Telephone Number _____ Fax Number _____

If this institution is approved by means of accreditation skip to #7.

Attached is a certified copy of the current verification of accreditation granted by the accrediting agency.

3. PLAN FOR TRANSITION

Provide a detailed plan on how the institution will transition into the participation in Federal Student Aid Programs Authorized by Title IV of the Federal Higher Education Act of 1965.

Document is attached: _____ Yes _____ No

4. DATE

Date of the proposed change? _____

5. DISCLOSURES AND CONSUMER INFORMATION

Provide the following documents with the appropriate updates regarding participation in Title IV.

- Catalog
- Enrollment Agreement
- School Performance Fact Sheets

Documents are attached: _____ Yes _____ No

6. ADDITIONAL INFORMATION

Include any material facts, which have not otherwise been disclosed in the application that might reasonably affect the Bureau’s decision to approve this application.

Document is attached: _____ Yes _____ No

The institution may also include any other facts that the institution would like the Bureau to consider in approving this application.

Document is attached: _____ Yes _____ No

7. DECLARATION UNDER PENALTY OF PERJURY

- Each owner of the institution, or
 - If the institution is incorporated, by the chief executive officer of the corporation and each owner of 25 percent or more of the stock, or interest in the institution, or
 - By each member of the governing body of a nonprofit corporation.
-

I declare under penalty of perjury under the laws of the State of California that the foregoing and all attachments are true and correct.

Signature _____ Date _____

Name _____

Address _____

City _____ State _____ Zip _____

Owning _____% of Ownership Member, Board of Directors _____ General Partner _____

I declare under penalty of perjury under the laws of the State of California that the foregoing and all attachments are true and correct.

Signature _____ Date _____

Name _____

Address _____

City _____ State _____ Zip _____

Owning _____ % of Ownership Member, Board of Directors _____ General Partner _____

I declare under penalty of perjury under the laws of the State of California that the foregoing and all attachments are true and correct.

Signature _____ Date _____

Name _____

Address _____

City _____ State _____ Zip _____

Owning _____ % of Ownership Member, Board of Directors _____ General Partner _____

Attach Additional Sheet(s) if Necessary

California Code of Regulations
Title 5. Education
Division 7.5. Private Postsecondary Education
Chapter 2. Applications
Article 7. Applications for a Substantive Change to an Approval to Operate

**PROPOSED REGULATORY LANGUAGE CONCERNING ADMISSIONS
STANDARDS**

Legend—added text indicated by underline, deletion by strikethrough

71397. Processing of Completed Applications; ~~Appeal of Denials.~~

(a) Pursuant to the requirements of section 94801.5 of the Code and this Article, the Bureau will either ~~grant~~approve, deny, or condition registration using the Bureau's reasonable discretion and based on the totality of and materiality of the evidence. The Bureau shall not consider any individual item of information to be solely determinative of the institution's eligibility for registration. Conditions placed upon the approval of an application may include increased or more frequent reporting requirements on a regular basis or as requested by the Bureau, and limitations on enrollment of Californians in some or all programs. ~~or deny an application for registration.~~

(b) An applicant whose application is denied or approved with conditions a registration or re-registration under this Article shall be given notice of the decision and the reasons for the decision. The applicant may reapply or may, within 30 days of service of the denial decision, submit a written request to the Bureau for an informal conference with the Bureau Chief or his or her designee. Failure to request an informal conference within 30 days from service of the denial waives the right to the informal conference.

(c) The Bureau Chief, or his or her designee, shall within 30 days from the Bureau's receipt of a written request for an informal conference, hold an informal conference with the applicant. The Bureau Chief, for good cause such as scheduling conflicts or medical emergencies, may extend the 30-day period. The informal conference may be by telephone.

(d) Prior to or at the informal conference, the applicant may submit to the Bureau Chief, or his or her designee, declarations or documents pertinent to the application for registration or re-registration, which shall be duly considered along with any other relevant documentation.

(e) Following the informal conference, the Bureau Chief, or his or her designee, will affirm, modify, or reverse the denial or conditions on the approval. A written order affirming or reversing the denial shall be served on the applicant within 30 days from the informal conference, unless extended for good cause, including allowing the applicant to submit, and the Bureau to consider, additional documentation. Once the Bureau's

determination is final, the applicant may seek review as provided in section 94801.5(a)(2)(B) of the Education Code.

Note: Authority cited: Sections 94801.5 and 94877, Education Code. Reference: Sections 94801.5, 94850.5 and 94930.5, Education Code.

Agenda Item 7

**STATUS UPDATE AND DISCUSSION RELATED TO THE BUREAU'S SUNSET
REVIEW AND FINANCES**

Agenda Item 8

**ADDRESSING SUSPECTED HUMAN TRAFFICKING IN PRIVATE
POSTSECONDARY EDUCATION INSTITUTIONS**



ISSUE MEMORANDUM

| | |
|----------------|---|
| DATE | May 9, 2022 |
| TO | Advisory Committee Bureau for Private Postsecondary Education |
| FROM | Joanna Murray Acting Education Administrator |
| SUBJECT | Addressing Suspected Human Trafficking in Private Postsecondary Education Institutions |

In July 2021, the Seldin-Haring Smith Foundation released a report highlighting the presence of human trafficking within private postsecondary educational institutions, entitled [Sex Trafficking in State-Authorized Massage Schools: A Case Study](#). The report focused on a Minnesota authorizer that revoked an institution’s authorization to operate for violations of education law, while at the same time highlighting that the institution “pose[s] a threat of prostitution and/or human trafficking” to students. A USA Today article covering the report highlighted the relevance in California.

This issue is relevant to the Bureau’s work to ensure consumer protection and institutions’ compliance with the Private Postsecondary Education Act (Act). For example, institutions trafficking their students or staff are highly unlikely to comply with minimum operating standards (see California Education Code section 94885) related to the quality of the education, such as ensuring suitable facilities and qualified faculty and administration. Extensive violations of recordkeeping requirements (see Article 9 of the Act) may call into question the legitimacy of the institution. The Bureau’s laws and regulations enable it to investigate and act in these situations. In addition, through their work in the field, Bureau employees may be primely positioned to identify human-trafficking red flags and pass along concerns to entities able to investigate and address those concerns directly.

Several Bureau employees reported having observed suspected human trafficking (both labor and sex) in the course of normal duties visiting massage, trucking, cosmetology, and other institutions. However, employees needed training to help them know what to do with their suspicions and no protocol was in place to report concerns to an appropriate third party. In August 2021, the Bureau convened an internal committee to determine how the Bureau might foster awareness of human trafficking, receive training on how trafficking might present in educational institutions, and develop procedures for communicating staff’s observations to appropriate parties.

To help shape the Bureau’s approach, members of the internal committee spoke with several state and national organizations, including representatives of:

- Seldin-Haring Smith Foundation

Addressing Suspected Human Trafficking in Private Postsecondary Education Institutions

Page 2 of 2

- California Department of Justice (DOJ)
- California Alcoholic Beverage Control (ABC)
- California Massage Therapy Council
- Federation of State Massage Therapy Boards
- Postsecondary Institution regulators in other states

To date, staff have received two trainings pertaining to human trafficking:

- Staff committee and management training was provided by an ABC Agent instrumental in the agency's crackdown on human trafficking within the ABC context. The training was designed to provide an overview of what constitutes trafficking, dispel myths, explain how inspectors and regulators may encounter and come to recognize incidences of suspected trafficking, and identify how and to whom Bureau staff might report their concerns.
- Field-staff training was provided by DOJ's Northern California Human Trafficking/Sexual Predator Apprehension Team. The primary focus of this briefing was on recognizing the signs of human trafficking and more detailed information around how Bureau staff might hand-off their observations to DOJ as well as promptly contact the National Human Trafficking Hotline.

These trainings contributed to the creation of reporting protocol, summarized as follows:

- Should a Bureau employee make observations that cause them to suspect trafficking, they contact one of two designated internal Bureau point people within five business days.
- Using an established set of questions, the point person asks the employee to describe their observations and documents the conversation.
- If it is determined that a tip should be issued, the employee/point person will provide a summary of the situation and the employee's contact information to the National Trafficking Hotline and the appropriate regional DOJ Trafficking Unit.

Note: Reporting of trafficking concerns has no bearing on potential disciplinary or enforcement actions that the Bureau may take.

Next steps in the Bureau's efforts include:

- Seeking additional training opportunities.
- Updating onboarding process to include briefing new employees on reporting protocol.
- Considering opportunities to add information about the National Trafficking Hotline or other resources to Bureau materials.

The Bureau welcomes input from the Advisory Committee on how best to accomplish its mission as it relates to this area of concern.

PROPOSED MODIFICATIONS TO ADVISORY COMMITTEE HANDBOOK

Amendments to the Advisory Committee Handbook For the Bureau for Private Postsecondary Education

To view the original handbook draft, see page 86 of the meeting materials from February 23, 2022: https://bppe.ca.gov/about_us/meetings/materials/20220223_acm.pdf

Page 7:

Bureau Advisory Committee Recommendations

Individual opinions and insight of the Committee members are useful in informing the Bureau's work as members represent a range of perspectives. As a deliberative assembly, the advisory Committee is also able to provide group Committee recommendations when a "collective will" is considered most helpful.

Pages 13-14:

Required Trainings

Sexual Harassment Prevention Training

- Background: To ensure compliance with Assembly Bill 1825 (Chapter 933, Statutes of 2004), all DCA advisory committee members are required to complete Sexual Harassment Prevention Training every two years
- The training is online, interactive and can be completed at your convenience. Training available via the Learning Management System (LMS): <https://dca.csod.com>

Ethics Training

- The training is online, interactive and can be completed at your convenience. State Officials Ethics Training Course available at: <http://oag.ca.gov/ethics>

Page 14:

Committee Leadership

The BAC shall elect annually from among its members a Chair and Vice Chair. A member may not serve for more than a combined two years in the Chair position and a combined two years in the Vice Chair position.

If an office becomes vacant during the year, an election shall be held at the next meeting. Elected officers shall then serve the remainder of the term.

FUTURE AGENDA ITEMS

ADJOURNMENT