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7

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

10  
11 In the Matter of the Statement of Issues  
Against:  
12 **CENTRAL STATE UNIVERSITY OF**  
13 **BUSINESS AND TECHNOLOGY;**  
14 **KUANG CHUNG CHEN**  
15 **Approval to Operate Non-Accredited**  
16 **Institution Applicant**  
17 Respondent.

Case No. 998990

**STATEMENT OF ISSUES**

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 August 2, 2010, the Bureau for Private Postsecondary Education  
25 (Bureau) received an application for Approval to Operate Non-Accredited Institution from  
26 Central State University of Business and Technology; Kuang Chung Chen (collectively,  
27 "Respondent"). On or about July 29, 2010, Kuang Chung Chen certified under penalty of perjury  
28

1 to the truthfulness of all statements, answers, and representations in the application. The Bureau  
2 denied the application on April 26, 2013.

### 3 JURISDICTION

4 3. This Statement of Issues is brought before the Director of Consumer Affairs  
5 (Director) for the Bureau for Private Postsecondary Education, under the authority of the  
6 following laws. All section references are to the California Education Code unless otherwise  
7 indicated.

8 4. Business and Professions Code, section 480 of the Code states:

9 "(a) A board may deny a license regulated by this code on the grounds that the applicant has  
10 one of the following:

11 "...

12 "(3) (A) Done any act that if done by a licentiate of the business or profession in question,  
13 would be grounds for suspension or revocation of license.

14 5. Section 22 of the Business and Professions Code states:

15 "Board", as used in any provision of this code, refers to the board in which the  
16 administration of the provision is vested, and unless otherwise expressly provided, shall include  
17 "bureau", "commission," "committee," "department," " division," "examining committee,"  
18 "program," and "agency."

19 6. Section 94885<sup>1</sup> states:

20 "The bureau shall, by January 1, 2011, adopt by regulation minimum operating standards  
21 for an institution that shall reasonably ensure that all of the following occur:

22 "(a) The content of each educational program can achieve its stated objective.

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

25 "(c) The facilities, instructional equipment, and materials are sufficient to enable students  
26 to achieve the educational program's goals.

27 \_\_\_\_\_  
28 <sup>1</sup> California Private Postsecondary Education Act of 2009, Ed. Code §§ 94800 et seq.

1           “(d) The institution maintains a withdrawal policy and provides refunds.

2           “(e) The directors, administrators, and faculty are properly qualified.

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

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

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

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

11           7. Section 94886 states:

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

16           8. Section 94887:

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

22           9. Section 94909 states as follows:

23           “(a) Prior to enrollment, an institution shall provide a prospective student, either in writing  
24 or electronically, with a school catalog containing, at a minimum, all of the following:

25           “...

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

28           “...

1           “(7) Information regarding the faculty and their qualifications.

2           “...

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

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

10          “...

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

17          “....

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

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

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

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

3 “....”

4 **REGULATORY PROVISIONS**

5 10. Title 5 of the California Code of Regulations, section 71100 states as follows:

6 “(a) An applicant seeking approval to operate pursuant to Section 94886 of the Code, other  
7 than Approval to Operate by Accreditation pursuant to Section 94890(a)(1) of the Code, shall  
8 complete the "Application for Approval to Operate for an Institution Not Accredited," Form  
9 Application 94886 (rev. 2/10). An applicant seeking approval to operate by accreditation pursuant  
10 to Section 94890(a)(1) of the Code shall comply with section 71390.

11 “(b) An applicant shall submit the completed form, the information or documentation  
12 required by this Article, the appropriate application fee as provided in Section 94930.5(a)(1) of  
13 the Code, and any appropriate annual fee as required by Article 1 of Chapter 5 of this Division, to  
14 the Bureau.

15 “(c) An application that fails to contain all of the information required by this article shall  
16 render it incomplete.

17 11. Title 5 of the California Code of Regulations, section 71710 subdivision (c)(4), (6)  
18 and (7) state as follows:

19 “In order to meet its mission and objectives, the educational program defined in section  
20 94837 of the Code shall be comprised of a curriculum that includes:

21 “... ”

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

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

26 “... ”

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

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“(7) instructional mode or methods.”

“....

12. Title 5 of the California Code of Regulations, section 71715, subdivision (d)(3) states as follows:

“... ”

“(d) Distance education as defined in section 94834 of the Code, does not require the physical presence of students and faculty at the same location but provides for interaction between students and faculty by such means as telecommunication, correspondence, electronic and computer augmented educational services, postal service, and facsimile transmission. In addition to the other requirements of this chapter and the Act, an institution offering distance education shall:

“... ”

“(3) ensure that the materials and programs are current, well organized, designed by faculty competent in distance education techniques and delivered using readily available, reliable technology;”

“....

13. Title 5 of the California Code of Regulations, section 71720, subdivision (a) states as follows:

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

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

“(2) Each institution shall develop and implement written policies and procedures providing for the participation by duly qualified faculty in the conducting of research, development of curricula, academic planning, enforcement of standards of academic quality,

1 pursuit of academic matters related to the institution's mission and objectives, establishment of  
2 criteria for contracting with new faculty, and evaluation of faculty credentials;

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

6 “(A) The educational level and number of students;

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

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

12 “(D) The number of group meetings per course, quarter, semester, or other  
13 term;

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

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

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

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

21 “1. a degree from: an institution approved by the Bureau or previously  
22 approved by a predecessor agency of the Bureau; or an accredited institution in the United States  
23 or Canada; or other state approved institution that documents that the institution at which the  
24 faculty member earned his or her degree is equivalent to an institution that is approved by the  
25 Bureau; or an institution outside the United States or Canada and in addition provides a  
26 comprehensive evaluation of the degree performed by a foreign credential evaluation service that  
27 is a member of the National Association of Credential Evaluation Services(NACES).

28 “2. a credential generally recognized in the field of instruction.

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

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

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

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

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

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

22                   “....

23                   14. Title 5 of the California Code of Regulations, section 71735, subdivision (a) (1) and  
24 (2) state as follows:

25                   “(a) An institution shall have sufficient facilities and necessary equipment to support the  
26 achievement of the educational objectives of all of the courses and educational programs in which  
27 students are enrolled. If an institution represents that the educational service will fit or prepare a  
28



1 student for employment in a particular occupation or as described in particular job titles, either of  
2 the following conditions shall be met:

3 “(1) The equipment used for instruction or provided to the student shall be  
4 comparable in model type or features to equipment generally used in those occupations or job  
5 titles at the time the instruction is offered.

6 “(2) The institution shall establish that the equipment used for instruction or provided  
7 to a student is not obsolete and is sufficient for instructional purposes to reasonably assure that a  
8 student acquires the necessary level of education, training, skill, and experience to obtain  
9 employment in the field of training and to perform the tasks associated with the occupation or job  
10 title to which the educational program was represented to lead.

11 “....

12 15. Title 5 of the California Code of Regulations, section 71740 states as follows:

13 “(a) A degree granting institution shall make available for student use a library and other  
14 learning resources.

15 “(b) An institution shall provide or make provisions for the library and other learning  
16 resources needed to support each educational program it offers, including resources such as  
17 reference works, periodicals, monographs, and media and equipment specific to the educational  
18 programs offered.

19 “(c) An institution shall describe onsite library and other learning resources, if any, that  
20 enable students to pursue inquiries, searches for information and documentation, and assignments  
21 connected with their study programs.

22 “(d) An institution that depends for library and other learning resources primarily on other  
23 institutions' collections and resources not in its possession shall do all of the following:

24 “(1) Describe those library and other learning resources, in the application and  
25 catalog.

26 “(2) Provide students and faculty with access to the regular services of a professional  
27 librarian or information specialist experienced in the electronic retrieval of information, who shall  
28

1 provide support for faculty in curriculum matters and actively serve as a resource guide for both  
2 graduate and undergraduate students.

3 “(3) Assure that students have access to the library collections and resources of  
4 another institution, organization, or library.

5 “(4) Document compliance with paragraphs (1), (2), and (3).”

6 16. Title 5 of the California Code of Regulations, section 71770, subdivision (c) states as  
7 follows:

8 “...

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

21           “(E) No credit for experiential learning may be awarded after a student has obtained  
22 60 semester credits in a graduate program.

23           “....

24           17. Title 5 of the California Code of Regulations, section 71800, subdivisions (a) and (d)  
25 state as follows:

26           “In addition to the requirements of section 94911 of the Code, an institution shall provide to  
27 each student an enrollment agreement that contains at the least the following information:  
28

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

3           “...

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

7           “....

8           18. Title 5 of the California Code of Regulations, section 71810, subdivision (b) states as  
9 follows:

10          “...

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

13          “...

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

17                 “(8) The institution's standards for student achievement;

18                 “(9) A description of the facilities and of the types of equipment and materials that  
19 will be used for instruction;

20                 “(10) A description of library and other learning resources and the procedures for  
21 student access to those resources;

22          “....

23                                 **CAUSE FOR DENIAL OF APPLICATION**

24   (Incomplete Application)

25           19. Respondent's application is subject to denial under section 480 subdivision (a)(3)(A),  
26 Education Code section 94885, 94886 and 94887, and California Code of Regulations, title 5,  
27 division 7.5, section 71100, in that Respondent submitted an incomplete application to the  
28 Bureau. Each violation is a sole and separate cause for denial. The violations are as follows:

1 a. Facilities. Respondent failed to provide evidence that it has the capacity to  
2 meet the minimum operating standards under Title 5 of the California Code of Regulations  
3 (CCR), section 71735 subdivision (a) in that it proposes a floor plan that indicates a maximum  
4 occupancy of 30 individuals with 10 parking spaces, which is not adequate space for the projected  
5 110 students that the institution anticipates over the next three (3) years.

6 b. Exemplars of Student Agreements.

7 1. Respondent failed to provide evidence that it has the capacity to meet the  
8 minimum operating standards under CCR, section 71800 subdivision (a) in that the Enrollment  
9 Agreement does not indicate where the instruction will be provided.

10 2. Respondent failed to provide evidence that it has the capacity to meet the  
11 minimum operating standards under CCR, section 71800 subdivision (d) in that the Enrollment  
12 Agreement does not provide the date by which the student must exercise his or her right to cancel  
13 or withdraw.

14 c. Instruction and Degrees Offered.

15 1. Respondent failed to provide evidence that it has the capacity to meet the  
16 minimum operating standards under CCR, section 71710 subdivision (c)(4), (6) and (7) in that the  
17 course syllabi submitted for Bachelor, Masters and Doctorate programs failed to include the  
18 following: i) sequence and frequency of lessons or class sessions; ii) sequential and detailed  
19 outline of subject matter to be addressed or a list of skills to be learned and how those skills are  
20 measured; and iii) instructional methods.

21 2. Respondent failed to provide evidence that it has the capacity to meet the  
22 minimum operating standards under CCR, section 71720 subdivision (a)(2) in that Bureau is  
23 unable to determine who developed the following course syllabi:

- 24 i) BA 6000 Critique of Research in Business Administration,
- 25 ii) BA 6100 Case Studies in Business Administration,
- 26 iii) BA 6400 Technology and Information System management,
- 27 iv) BA 6750 Practice in Organizational Development, and
- 28 v) ED 5300 Facilities Planning and Evaluation.

1           d.    Distance Educational Programs.    Respondent failed to provide evidence that  
2 it has the capacity to meet the minimum operating standards under CCR, section 71715  
3 subdivision (d)(3) in that the Bureau is unable to determine from the materials submitted whether  
4 or not Respondent is requesting to offer distance education, and if so, it has failed to provide and  
5 demonstrate the availability of reliable technology to deliver any component of distance  
6 education.

7           e.    Catalog.

8           1.    Respondent failed to provide evidence that it has the capacity to meet the  
9 minimum operating standards under California Education Code (CEC), section 94909,  
10 subdivision (a)(2) in that the proposed catalog does not contain a statement that the institution is a  
11 private institution that is approved to operate by the Bureau.

12           2.    Respondent failed to provide evidence that it has the capacity to meet the  
13 minimum operating standards under CEC, section 94909, subdivision (a)(9) in that the proposed  
14 catalog provides incorrect total charges for a period of attendance in the MBA program, and does  
15 not contain a schedule of charges for a period of attendance and an estimated schedule of total  
16 charges for the entire educational programs in Bachelor of Business, Master and Doctor  
17 Education, Master of Science in Computer Information System, and Doctor of Business  
18 Administration.

19           3.    Respondent failed to provide evidence that it has the capacity to meet the  
20 minimum operating standards under CCR sections 71770, subdivision (c) and 71810 subdivision  
21 (b)(7) in that the Respondent's policies and procedures for awarding credit for prior experiential  
22 learning, including assessment policies and procedure, are out of compliance as it fails to include  
23 the following:

24                   i)    The prior learning is equivalent to a college or university level of  
25 learning.

26                   ii)   The learning experience demonstrates a balance between theory and  
27 practice.

28

1                   iii) The credit awarded must relate to the student's degree and is  
2 applied in satisfaction of some of the degree requirements.

3                   iv) The learning experience shall be documented by the student in  
4 writing and evaluated by faculty qualified in that subject area.

5                   v) The faculty evaluating the prior learning shall prepare a written  
6 report indicating the nature of the student's prior experience, basis for determining the  
7 equivalency, of demonstration of a balance between theory and practice, basis for determining the  
8 college or university level that the experience is equivalent and the proper number of credits to be  
9 awarded.

10                  vi) The institution shall designate at least one administrator to be  
11 responsible for review of the faculty's determination.

12                  vii) The administrator shall document the institution's periodic review  
13 of faculty evaluations.

14                  viii) The amount of credit awarded shall not be related to the amount the  
15 student is charged.

16                  ix) Of the first 60 semester units awarded to a student in an  
17 undergraduate program, no more than 15 semester credits may be awarded.

18                  x) Of the first 30 semester credits awarded to a student in graduate  
19 program, no more than 6 semester credits may be awarded.

20                  xi) Of the second 30 semester credits awarded to a student in a  
21 graduate program, no more than 3 semester credits may be awarded

22                  xii) No credit may be awarded after a student has obtained 60 semester  
23 credits in a graduate program.

24                  4. Respondent failed to provide evidence that it has the capacity to meet the  
25 minimum operating standards under CCR section 71810 subdivision (b)(8) in that the  
26 Respondent's catalog does not contain standards for student achievement.

27                  5. Respondent failed to provide evidence that it has the capacity to meet the  
28 minimum operating standards under CCR section 71810 subdivision (b)(9) in that the

1 Respondent's catalog does not include a description of the facilities and the types of equipment  
2 and materials that will be used for instruction.

3           6. Respondent failed to provide evidence that it has the capacity to meet the  
4 minimum operating standards under CCR section 71810 subdivision (b)(10) in that the  
5 Respondent's catalog fails to provide the procedure that students and staff must follow for using  
6 the library at the University of the West, and failed to disclose the "guest user policy" at the  
7 University of the West, which requires a \$60 annual fee for guest users.

8           7. Respondent failed to provide evidence that it has the capacity to meet the  
9 minimum operating standards under CEC section 94909 subdivision (a)(16)(A)-(C) in that the  
10 Respondent's catalog failed to disclose to prospective students, prior to enrollment, whether or  
11 not the institution or the degree program is accredited.

12           e. Faculty.

13           1) Respondent failed to provide evidence that it has the capacity to meet the  
14 minimum operating standards under CCR section 71720 subdivision (a)(4)(A)(1) and (2), and (B)  
15 in that the Respondent's implementation of sections 87359 and 87360 to grant degree equivalency  
16 is out of compliance with section CEC 94885, subdivision (e) as CEC sections 87359 and 87360  
17 were enacted for Community College Educational Institutions and Respondent would be  
18 considered a private Post Secondary Education Institution.

19           2) Respondent failed to provide evidence that it has the capacity to meet the  
20 minimum operating standards under CCR section 71720 subdivision (a)(4)(A) and (B) in that the  
21 Bureau is unable to determine if faculty employed by the Respondent meet the following  
22 minimum qualifications:

23           i) The four (4) faculty listed in the catalog and application are not  
24 duly qualified to teach the Doctoral program in Business: Gary Chen, MBA, James Chen, MBA,  
25 George Chang, MS in Management Sciences and Kyle Gililand, Juris Doctor,

26           ii) The three (3) faculty listed in the catalog and application are not  
27 duly qualified to teach the Master and Doctoral program in Education: Grace Chen, MA in  
28



1 English as a Second Language, Edward Liu, MS in Continuing Studies and Lucida Hsiung, MA  
2 in Liberal Studies.

3                   iii) The three (3) faculty listed in the catalog and application are not  
4 duly qualified to teach the Master Science in Computer Information Systems: Daniel Yao, MS in  
5 Electrical Engineering, Kevin Chen, MS in Electrical Engineering and Isaac Chen, MS in  
6 Electrical Engineering.

7           3. Respondent failed to provide evidence that it has the capacity to meet the  
8 minimum operating standards under CCR section 71720 subdivision (a)(4)(B)(9) in that the  
9 Respondent failed to provide evidence that the Instructors are duly qualified and are qualified to  
10 perform the duties to which the faculty members are assigned. Specifically, the institution failed  
11 to provide evidence of qualifications as follows:

12                   i) Transcripts for Michael Mah.

13                   ii) Peter Chou's qualifications to teach business administration courses: BA  
14 2010 Business and Professional Communication and BA 2020 Organizational Behavior.

15                   iii) Grace Chen's qualifications to teach general education courses: HU 2030  
16 Contemporary Social Problems and PS 1010 Psychology.

17                   iv) Daniel Yao's qualifications to teach computer course: IS 5050 System  
18 Analysis and Design

19                   v) Kevin Chen's qualifications to teach computer course: IS 5900 Graduate  
20 Internship.

21                   vi) Isaac Chen's qualifications to teach computer course: IS 5950 Research  
22 and Design.

23                   vii) Lucida Hsiung's qualifications to teach general education courses: LI  
24 1010 World Literature, and PS 2020 Critical Thinking.

25           4. Respondent failed to provide evidence that it has the capacity to meet the  
26 minimum operating standards under CCR section 71720 subdivision (a)(1) in that the Respondent  
27 failed to provide and assign duly qualified faculty for the following courses: AT 1020 Art  
28 History, BA 3800 Junior Internship, BA 3900 Independent Study, BA 4800 Supervised

1 Internship, BA 5900 and ED 5900 Graduate Internship, BA 5990 and ED 5990 Master's Thesis,  
2 BA 6990 Doctoral Dissertation, ED 5950 Research and Design, ED 6850 Graduate Project, ED  
3 6900 Internship in Education, ED 6950 The Doctoral Proposal: Research Design and  
4 Methodology, HU 1010 American Culture, HU 2040 Ethics, and SM 1010 Human Biology.

5           5. Respondent failed to provide evidence that it has the capacity to meet the  
6 minimum operating standards under CCR section 71715 subdivision (d)(3) in that Respondent  
7 failed to demonstrate that it employed competent faculty to develop the distance education  
8 curriculum and that are competent in distance education techniques.

9           f. Library.

10           1. Respondent failed to provide evidence that it has the capacity to meet the  
11 minimum operating standards under CCR section 71740 subdivision (b) and (d)(1)-(4) in that  
12 Respondent failed to make provisions for the library and other learning resources needed to  
13 support each educational program it offers, including resources such as reference works,  
14 periodicals, monographs, and media and equipment specific to the educational programs offered.  
15 Specifically, the education programs offered are Master and Doctoral Degree in Education,  
16 Doctoral Degree in Business Administration and Master of Science in Computer Information  
17 System. The University of the West, which is the main library resource for the Respondent, does  
18 not offer the above degrees so as to support or make provisions necessary for research resources.

19           2. Respondent failed to provide evidence that it has the capacity to meet the  
20 minimum operating standards under CCR section 71740 subdivision (d)(2) in that Respondent  
21 failed to provide a librarian that is a professional information specialist experienced in electronic  
22 retrieval of information. Specifically, the Respondent's librarian has a Masters of Science in  
23 Continuing Studies without prior experience as a librarian.

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26 ////

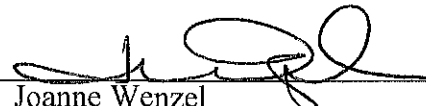
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**PRAYER**

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

1. Denying the application of Central State University of Business and Technology; Kuang Chung Chen for a Approval to Operate Non-Accredited Institution;
2. Taking such other and further action as deemed necessary and proper.

DATED: May 16, 2014

  
Joanne Wenzel  
Chief  
Bureau for Private Postsecondary Education  
Department of Consumer Affairs  
State of California  
*Complainant*

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