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8   **BEFORE THE**
               DEPARTMENT OF CONSUMER AFFAIRS
9   **FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION**
                      STATE OF CALIFORNIA
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12 In the Matter of the First Amended Statement   Case No. 998998
    of Issues Against:

13 **ANAT BANIEL, Owner**
    THE ANAT BANIEL METHOD   **FIRST AMENDED STATEMENT OF**
14 **4330 Redwood Highway Suite 350**   **ISSUES**
    San Rafael, CA 94903
15 **School Code No. 2101521**

16   Respondent.

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19   Complainant alleges:

20   **PARTIES**

21   1.   Joanne Wenzel (Complainant) brings this First Amended Statement of Issues solely

22 in her official capacity as the Chief of the Bureau for Private Postsecondary Education (Bureau),

23 Department of Consumer Affairs.

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2.   On the following dates, the former Bureau for Private Postsecondary and Vocational Education[1] issued an approval to operate the following programs to The Anat Baniel Method, Anat Baniel, owner (School Code No. 2101521) (Respondent):

Approved Program Name	Approval Date
Anat Baniel Method of Feldenkrais Training Program (Stage I)	06/05/2001
Anat Baniel Method of Anti-Aging Training Program (Stage II)	06/05/2001
Anat Baniel Method of Anti-Aging and Rejuvenation	07/02/2004
Anat Baniel Method of Breathing and Voice	07/02/2004
Anat Baniel Method for High Performers: Musicians, Athletes, and CEO's	07/02/2004
Anat Baniel Method for Parents of Children with Special Needs	07/24/2004
Anti-Aging and Rejuvenation: A Workshop for Professionals	07/02/2004
Anti-Aging and Rejuvenation: An advanced seminar for Anat Baniel method and Feldenkrais Method Prac	07/02/2004
Overcome Back Pain	07/02/2004
Overcome Joint Pain	07/02/2004
Overcome Neck Pain	07/02/2004
Working with Back Pain Sufferers	07/02/2004
Working with Breathing and Voice: A Workshop for Professionals	07/02/2004
Working with Children: Seminar for Anat Baniel Method and Feldenkrais Method Practition	07/02/2004
Working with High Performers: An advanced Seminar for Anat Baniel method and Feldenkrais method Practition	07/02/2004
Working with Joint Pain Sufferers	07/02/2004
Working with Neck Pain Sufferers	07/02/2004

3.   Respondent's approval to operate expired on July 1, 2011, and has not been renewed.

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[1] The former Bureau for Private Postsecondary and Vocational Education sunsetted on July 1, 2007. On October 11, 2009, the Private Postsecondary Education Act of 2009 (AB 48) was signed into law. The Act, which became operative on January 1, 2010, established the Bureau for Private Postsecondary Education.

FIRST AMENDED STATEMENT OF ISSUES

4. On or about May 16, 2011, the Bureau received from Respondent an Application for Renewal of Approval to Operate and Offer Educational Programs for Non-Accredited Institutions. On or about May 10, 2011, Anat Baniel certified under penalty of perjury to the truthfulness of all statements, answers, and representations in the application. The Bureau denied the application on or about May 29, 2013.

JURISDICTION

5. This Statement of Issues is brought before the Director of the Department of Consumer Affairs (Director) for the Bureau under the authority of the following laws.

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

REGULATORY PROVISIONS

7. California Code of Regulations, title 5, section 71475 provides, in pertinent part:

"(b) An institution seeking to renew its Approval to Operate pursuant to section 94891 of the Code shall, prior to its expiration, complete and submit to the Bureau the 'Application for Renewal of Approval to Operate and Offer Educations Programs for Non-Accredited Institutions,' Form Application 94891 (rev. 2/10).

. . .

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

. . .

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

. . ."

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8.   California Code of Regulations, title 5, section 74115 provides, in pertinent part:

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

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

. . .

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

. . ."

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

9.   California Code of Regulations, title 5, section 71745 provides, in pertinent part:

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

. . .

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

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CAUSE FOR DENIAL OF APPLICATION

(Failure to Meet Requirements of Code of Regulations – Insufficient Assets

and Financial Resources)

10.   Respondent is ineligible for renewal of its approval to operate in that Respondent failed to document that it has sufficient assets and financial resources to maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal year, in violation of California Code of Regulations, title 5, sections 71475, subdivisions (e) and (w)(2), 74115, subdivision (b)(3), and/or 71745, subdivision (a)(6).

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 for Renewal of Approval to Operate and Offer Educational Programs for Non-Accredited Institutions submitted by The Anat Baniel Method, Anat Baniel, owner;

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

DATED: _____

                                             JOANNE WENZEL
    Chief
    Bureau for Private Postsecondary Education
    Department of Consumer Affairs
    State of California
    Complainant

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FIRST AMENDED STATEMENT OF ISSUES