

**DEPARTMENT OF CONSUMER AFFAIRS  
BUREAU FOR PRIVATE POSTSECONDARY EDUCATION**

**PROPOSED LANGUAGE**

New language is underlined. Deleted language is ~~strikeout~~.

**(1) Amend Section 74110 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§ 74110. Annual Report.**

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

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

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

(3) Name of institutional and programmatic accreditors, if applicable;

(4) Information regarding participation in state and federal student loan and grant programs, including the amount of funding received from each source;

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

(6) The total percentage of institutional income that comes from public funds.

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

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

(d) The annual report shall be electronically filed by submitting the information required by section 94934 of the Code and this section via the online form provided on the Bureau's website, electronically attaching, as directed, the School Performance Fact Sheet, the enrollment agreement, and the school catalog. ~~An institution without the capability to submit the information electronically shall inform the Bureau not less than 45 days prior to the date the information is required by subdivision (c), and receive direction on alternative means of submission.~~

Note: Authority cited: Sections 94877, 94929.5, 94929.7, ~~and~~ 94934, and 94941, Education Code. Reference: Sections 94929.5, 94929.7, 94932, and 94934, and 94941, Education Code.

**(2) Amend Section 74112 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§ 74112. Uniform Data - Annual Report, Performance Fact Sheet**

(a) Format. The format for the Performance Fact Sheet shall be in at least 12 pt. type, in an easily readable font, with 1.15 line spacing. The Performance Fact Sheet shall contain all and only the information required or specifically permitted by sections 94910 and 94929.5 of the Code or this chapter.

(b) An institution offering educational programs that are too new to provide the required two years of data shall include the date the program began as well as the statement required by section 94910(e) of the Code. The Performance Fact Sheet shall also disclose the estimated date of availability for one full year of data for those programs.

(c) Institutions approved under section 94874.8 of the Code, which do not include all required information per section 94874.8(a)(4) shall include on the Performance Fact Sheet the date of approval to operate and when the required data will be available.

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

(1) “Number of Students Who Began the Program” means the number of students who began a program who are~~were~~ scheduled to complete the program within 100% of the published program length within the reporting calendar year, and excludes all students who cancelled during the cancellation period ~~includes all the students who remained enrolled after their cancellation period.~~

(2) “Number of On-time Graduates” means the number of students who completed the program within 100% of the published program length within the reporting calendar year.

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

(3) “Gainfully employed” means:

(A) The on-time graduate is employed in a job classification under the United States Department of Labor’s Standard Occupational Classification codes, using the Broad Occupation level, for which the institution has identified that the program prepares its graduates; and

(B)(i) The on-time graduate is employed in a single position or concurrent aggregated single positions totaling at least 30 hours per week for 21 calendar days with the expectation of continued employment; or

(ii) The on-time graduate is self-employed or working freelance as reasonably evidenced by, but not limited to, a business license, fictitious business name statement, advertising (other than business cards), website, or an attestation signed by the graduate of self-employment or freelance work.

~~(e)(e)~~ Reporting periods:

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

(2) A Performance Fact Sheet shall be current and available not later than ~~August~~ December 1st, and shall report data for a minimum of the previous two calendar years based upon the “number of students who began the program,” or the “number of graduates,” as defined in subdivision (b)(d)(1) of this section and were scheduled to graduate in the reported year(s). ~~for each reported calendar year.~~

(f) Total Charges. The institution’s Annual Report and Performance Fact Sheet shall include the total charges for a student to complete the program within 100% of the program length. The institution must include the disclosure that there may be additional charges if the program isn’t completed on-time.

Total charges shall be disclosed in the Performance Fact Sheet in a format substantially similar to the format listed below (dates and numbers are for example only):

Cost of Educational Program:

Total Charges for the program for students completing on-time in 20XX: \$50,000.  
Total Charges may be higher for students that don’t complete on-time.

Student's Initials: \_\_\_\_\_ Date: \_\_\_\_\_

(g) Student Loan/Debt Information.

(1) If the institution participates in federal financial aid programs, the institution shall include loan information in the institution's Annual Report and on the Performance Fact Sheet. The loan information shall include:

(A) The most recent three year cohort default rate, as reported by the United States Department of Education;

(B) The percentage of enrolled students receiving federal student loans;

(C) The average amount of federal student loan debt of those on-time graduates who have federal student loan debt in the reporting year; and

(D) The percentage of on-time graduates with federal student loans, as calculated by the institution.

Loan information shall be included in the Performance Fact Sheet in a format substantially similar to the format listed below (dates and numbers are for example only):

The Cohort Default Rate (CDR) represents the percentage of this institution's students that failed to make required payments on their federal loans within three years of when they were required to begin repayment of that loan. The most recent three-year cohort default rate reported by the U.S. Department of Education for this institution is 28%.

The percentage of the students enrolled in this institution in 20XX, who received federal student loans to help pay their cost of education at the school was 43%.

The average total student loan debt of on-time graduates in 20XX was \$26,500; and 37% of on-time graduates in 20XX reported graduating with federal student loan debt.

Student's Initials: \_\_\_\_\_ Date: \_\_\_\_\_

(2) Institutions that do not participate in federal financial aid programs shall include one of two statements in the Performance Fact Sheet in a format substantially similar to the following:

This institution is not accredited. Students attending unaccredited institutions are ineligible for federal financial aid programs. Because the institution does not participate in federal financial aid programs, the institution is unable to report information regarding student loan debt.

or

This institution is accredited. However, the institution chooses not to participate in federal financial aid programs and therefore is unable to report information regarding student loan debt.

Student's Initials: \_\_\_\_\_ Date: \_\_\_\_\_

~~(h)(d)~~ **Completion Rates.** Reporting of completion rates for an institution's Annual Report and Performance Fact Sheet shall include, for each educational program, the number of students who began the program as defined in subdivision (b)(d)(1) of this section, the number of students available for graduation, number of on-time graduates, and completion rate(s). An optional column may be added to include completion rate data for students completing within ~~101~~150% of the published program length. For an institution reporting completion data pursuant to section 94929(b) of the Code, completion data shall be separately reported for each program. ~~The and the~~ Performance Fact Sheet shall disclose, if true, that the completion data is being reported for students completing within 150% of the published program length, and that data is not being separately reported for students completing the program within 100% of the published program length.

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

On-time Graduate Completion Rates (includes data for a minimum of the two calendar years prior to reporting)

**Name of Educational Program** (Program Length)

Calendar Year	Number of Students Who Began <u>the Program</u>	Students Available for Graduation	<u>Number of On-time Graduates</u>	On-time Completion Rate
20XX	100	98	70	71%
20XY	80	80	55	69%

Students Completing Within 150% of the Published Program Length After Published Program Length ~~150% Completion Rate~~

**Name of Educational Program** (Program Length)

Calendar Year	Number of Students Who Began <u>the Program</u> <sup>1</sup>	Students Available for Graduation <sup>2</sup>	<u>150% Graduates</u> <sup>5</sup>	<u>150% Completion Rate</u> <sup>6</sup>
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Calendar Year	Number of Students Who Began the Program <sup>1</sup>	Students Available for Graduation <sup>2</sup>	<u>150%</u> Graduates <sup>5</sup>	<u>150%</u> Completion Rate <sup>6</sup>
20XX	100	98	<u>25-95</u>	<u>2687%</u>
20XY	80	80	<u>23-78</u>	<u>2998%</u>

Student's Initials: \_\_\_\_\_ Date: \_\_\_\_\_

<sup>1</sup> ~~“Number of Students Who Began Program” is the number of students who began the program who are scheduled to complete the program within the reporting calendar year.~~

<sup>2</sup> ~~“Students available for graduation” is the number of students who began program minus the number of “Students unavailable for graduation,” which means those students who have died, been incarcerated, or called to active military duty.~~

<sup>3</sup> ~~“Graduates” is the number of students who completed the program within 100% of the published program length.~~

<sup>4</sup> ~~“Completion Rate” is the number of Graduates divided by the Number of Students Available for Graduation.~~

<sup>5</sup> ~~“150% Graduates” is the number of students who completed the program within 101-150% of the published program length.~~

<sup>6</sup> ~~“150% Completion Rate” is the number of students who completed the program in the reported calendar year within 101-150% of the published program length divided by the Number of Students Available for Graduation in the published program length period.~~

(i)(e) Job Placement Rates.

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

(2) Placement is measured six months from the graduation date of each student. For programs that require passage of a licensing examination, placement shall be measured six months after the announcement of the examination results for the first examination available after a student completes an applicable educational program. Reporting of placement rates shall include for each educational program: the number of students who began the program, the number of on-time graduates as defined in subdivision ~~(b)~~(d)(1) of this section, the on-time graduates available for employment, on-time graduates employed in the field and job placement rate(s).

(3) Placement rate shall be calculated as follows: the number of graduates employed in the field as defined in section 94928(e)(1) of the Code subsection

74112(b)(3) divided by the number of graduates available for employment as defined in section 94928(d) of the Code.

~~(4) Graduates employed in the field shall be reported for those graduates employed in the field in a single position that averages under 32 hours per week and those employed in the field in a single position that averages at least 32 hours per week. References to the Code are to the California Education Code where the California Private Postsecondary Education Act of 2009 is located.~~

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

Job Placement Rates (includes data for a minimum of the two calendar years prior to reporting)  
**Name of Educational Program (Program Length)**

<b>Calendar Year</b>	<b>Number of Students Who Began the Program<sup>1</sup></b>	<b>Number of On-time Graduates<sup>2</sup></b>	<b>On-time Graduates Available for Employment<sup>3</sup></b>	<b>On-time Graduates Employed in the Field<sup>4</sup></b>	<b>Placement Rate % Employed in the Field<sup>5</sup></b>	<b>Graduates Employed in the Field an average of less than 32 hours per week</b>	<b>Graduates Employed in the Field at least 32 hours per week</b>
20XX	100	70	70	55	79%	5	50
20XY	80	55	55	20	36%	9	11

Student's Initials: \_\_\_\_\_ Date: \_\_\_\_\_

<sup>1</sup> ~~“Number of Students Who Began Program” means the number of students who began the program who are scheduled to complete the program within the reporting calendar year.~~

<sup>2</sup> ~~“Number of Graduates” is the number of students who have completed the program within 100% of the published program length.~~

<sup>3</sup> ~~“Graduates available for employment” means the number of graduates minus the number of graduates unavailable for employment. “Graduates unavailable for employment” means graduates who, after graduation, die, become incarcerated, are called to active military duty, are international students that leave the United States or do not have a visa allowing employment in the United States, or are continuing their education in an accredited or bureau approved postsecondary institution.~~

<sup>4</sup> ~~“Graduates employed in the field” means graduates who report that they are gainfully employed within six months of graduation in a position for which the skills obtained through the education and training provided by the institution are required or provided a significant advantage to the graduate in obtaining the position.~~

<sup>5</sup> Placement Rate is calculated by dividing the number of graduates gainfully employed in the field by the number of graduates available for employment.

(4) The following self-employment/freelance worker disclosure shall be initialed by student's entering any programs that may result in this type of work style:

This school prepares its graduates to work in freelance employment or as self-employed individuals. A defining characteristic of these two work-styles is that they are often comprised of projects or short-term job opportunities. This type of work may not be consistent; depending on the job, project or budget, periods of employment can range from one day to weeks to several months. In addition, the hours worked in a day or week may be more or less than the traditional 8 hour work day or 40 hour work week. Additionally, during periods when individuals are not working on a specific job or project, they can expect to spend time on expanding their networks, advertising or promoting their services, or honing their skills. Once graduates begin to work freelance or are self-employed, they will be asked to provide documentation that they are employed as such so that they may be counted as placed for our job placement records. Students initialing this disclosure understand that some or all of this school's graduates are employed in this manner and understand what comprises this work-style.

Student's Initials: \_\_\_\_\_ Date: \_\_\_\_\_

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

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

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

Examination Passage Rates (includes data for a minimum of ~~the~~ two calendar years prior to reporting)

**Name of Educational Program** (Program Length)



<b>First Available Exam Date Number of Students Taking Exam<sup>1</sup></b>	<b>Number of On-time Graduates Taking Exam Exam Date<sup>2</sup></b>	<b>Number Who Passed Exam</b>	<b>Number Who Failed Exam</b>	<b>Passage Rate<sup>3</sup></b>
802/1/20XX	2/1/20XX80	40	40	50%
1006/1/20XX	6/1/20XX100	75	25	75%
8210/1/20XX	10/1/20XX82	68	14	76%
802/1/20XY	2/1/20XY80	40	40	50%
1006/1/20XY	6/1/20XY100	70	30	70%
9210/1/20XY	10/1/20XY92	62	30	67%

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

Student's Initials: \_\_\_\_\_ Date: \_\_\_\_\_

<sup>1</sup> Number of Students Taking Exam is the number of students who completed the program within 150% of published program length and for whom the reported exam is the first exam that was available after their completion of the program.

<sup>2</sup> Exam Date is the date for the first available exam after the students completed the program.

<sup>3</sup> Passage Rate is calculated by dividing the number of students who pass the exam by the number of graduates who take the reported licensing exam.

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

Examination Passage Rates (includes data for a minimum of the two calendar years prior to reporting)

Name of Educational Program (Program Length)

<b>Calendar Year</b>	<b>Number of Students On-time Graduates Taking Exam<sup>1</sup></b>	<b>Number Who Passed First Available Exam Taken<sup>2</sup></b>	<b>Number Who Failed First Available Exam Taken</b>	<b>Passage Rate<sup>3</sup></b>
20XX	80	40	40	50%
20XY	100	75	25	75%

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

Student's Initials: \_\_\_\_\_ Date: \_\_\_\_\_

<sup>1</sup> ~~Number of Students Taking Exam is the number of students who completed the program within 150% of the published program length and who took the exam in the reported calendar year for the first time.~~

<sup>2</sup> ~~Number Who Passed First Exam Taken is the number of students who took and passed the licensing exam in the reported calendar year on the first attempt.~~

<sup>3</sup> ~~Passage Rate is calculated by dividing the number of graduates who pass the exam the first time that they take it by the number of graduates who took the licensing exam for the first time after completion of the program.~~

(k)(g) Salary and Wage Information.

All Salary and Wage Information shall be reported to the Bureau pursuant to sections 94910(d) and 94929.5(e)(a)(3) of the Code and, if required by section 94910(d) of the Code, shall be included in the Performance Fact Sheet, for each educational program, in a format substantially similar to the chart below, including the footnoted information (dates, numbers, salaries, and other data shown are for example only).

Salary and Wage Information (includes data for a minimum of the two calendar years prior to reporting)

**Name of Educational Program (Program Length)**

*Annual Salary and Wages Reported by for On-time Graduates Employed in the Field<sup>3</sup>*

Calendar Year	On-time Graduates Available for Employment <sup>1</sup>	On-time Graduates Employed in the Field <sup>2</sup>	\$15,000.00 -	\$20,000.00 -	\$25,000.00 -	\$30,000.00 -	No Salary Information Reported Students Not Reporting Salary
			\$20,000.00	\$25,000.00	\$30,000.00	\$35,000.00	
20XX	100	70	5	40	6	3	16
20XY	80	55	5	7	3	5	35

A list of sources used to substantiate salary disclosures is available from the school. (Insert how student can obtain this information.)

Student's Initials: \_\_\_\_\_ Date: \_\_\_\_\_

<sup>1</sup> ~~“Graduates available for employment” means the number of graduates minus the number of graduates unavailable for employment. Graduates unavailable for employment means graduates who, after graduation, die, become incarcerated, are called to active military duty, are international students that leave the United States or do not have a visa allowing employment in the United States, or are continuing their education in an accredited or bureau approved~~

postsecondary institution.

<sup>2</sup> ~~“Graduates employed in the field” means graduates who are gainfully employed within six months of graduation in a position for which the skills obtained through the education and training provided by the institution are required or provided a significant advantage to the graduate in obtaining the position.~~

<sup>3</sup> ~~Salary is as reported by the student. Not all graduates reported salary.~~

(l) Definitions. Definitions for all terms contained on the Performance Fact Sheet shall be included as part of the Performance Fact Sheet, in the same format as required in subdivision (a).

The following are the definitions for the Performance Fact Sheet:

“Number of Students Who Began the Program” means the number of students who began a program who were scheduled to complete the program within 100% of the published program length within the reporting calendar year and excludes all students who cancelled during the cancellation period.

“Students Available for Graduation” is the number of students who began the program minus the number of students who have died, been incarcerated, or been called to active military duty.

“Number of On-time Graduates” is the number of students who completed the program within 100% of the published program length within the reporting calendar year.

“On-time Completion Rate” is the number of on-time graduates divided by the number of students available for graduation.

“150% Graduates” is the number of students who completed the program within 150% of the program length (includes on-time graduates).

“150% Completion Rate” is the number of students who completed the program in the reported calendar year within 150% of the published program length, including on-time graduates, divided by the number of students available for graduation.

“On-time Graduates Available for Employment” means the number of on-time graduates minus the number of on-time graduates unavailable for employment.

“On-time Graduates Unavailable for Employment” means the on-time graduates who, after graduation, die, become incarcerated, are called to active military duty, are international students that leave the United States or do not have a visa allowing employment in the United States, or are continuing their education in an accredited or bureau-approved postsecondary institution.

“On-time Graduates Employed in the Field” means on-time graduates who within six months after a student completes the applicable educational program are gainfully employed, whose employment has been reported, and for whom the institution has documented verification of employment. For occupations for which the state requires passing an examination, the placement

shall be measured six months after the announcement of the examination results for the first examination available after a student completes an applicable educational program.

“Placement Rate Employed in the Field” is calculated by dividing the number of on-time graduates gainfully employed in the field by the number of on-time graduates available for employment.

“Number of On-time Graduates Taking First Available Exam” is the number of on-time graduates who took the first available exam in the reported calendar year.

“First Available Exam Date” is the date for the first available exam after a student completed a program.

“Passage Rate” is calculated by dividing the number of on-time graduates who passed the exam by the number of on-time graduates who took the reported licensing exam.

“Number Who Passed First Available Exam” is the number of on-time graduates who took and passed the first available licensing exam after completing the program.

“Salary” is as reported by on-time graduate or graduate’s employer.

“No Salary Information Reported” is the number of on-time graduates who after making reasonable attempts, the school was not able to obtain salary information for these on-time graduates.

(m)(h) Documentation supporting all data reported shall be maintained electronically by the institution for at least five years from the last time the data was included in either an Annual Report or a Performance Fact Sheet; and shall be provided to the Bureau upon request; and the data shall include at a minimum:

(1) the list of job classifications determined to be considered gainful employment for the educational program;

(2) student name(s), address, phone number, email address, program completed, program start date, scheduled completion date, and actual completion dates;

(3) graduate’s place of employment and position, date employment began, date employment ended, if applicable, actual salary, and hours per week;

(4) for each employer from which employment or salary information was obtained, the employer name(s) address and general phone number, the contact person at the employer and the contact’s phone number and email address, and all written communication with employer verifying student’s employment or salary;

(5) for students who become self-employed, all documentation necessary to demonstrate self-employment;

(6) ~~and~~ a description of all attempts to contact each student or employer; and

~~(7). Documentation shall also include~~ the name, email address, phone number, and position or title of the institution's representative who is ~~was~~ primarily responsible for obtaining the students' completion, placement, licensing, and salary and wage data, the date that the information was gathered, and copies of notes, letters or emails through which the information was requested and gathered.

Note: Authority cited: Sections 94877, 94928, 94929.5, 94929.7, and 94929.8, Education Code.

Reference: Sections 94874.8, 94902, 94910, 94928, 94929, 94929.5, 94929.7, ~~and~~ 94929.8,

94934, and 94941, Education Code.