

1 KAMALA D. HARRIS
Attorney General of California
2 ARMANDO ZAMBRANO
Supervising Deputy Attorney General
3 NANCY A. KAISER
Deputy Attorney General
4 State Bar No. 192083
300 So. Spring Street, Suite 1702
5 Los Angeles, CA 90013
Telephone: (213) 897-5794
6 Facsimile: (213) 897-2804
Attorneys for Complainant
7

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

11 In the Matter of the Statement of Issues
Against:

Case No. 1001583

12 **SOUTHERN CALIFORNIA UNIVERSITY**
13 **OF SPORTS AND BUSINESS**

STATEMENT OF ISSUES

14 **Approval to Operate an Institution Non-**
15 **Accredited Applicant**

16 Respondent.

17
18 Complainant alleges:

19 **PARTIES**

20 1. Joanne Wenzel (Complainant) brings this Statement of Issues solely in her official
21 capacity as the Chief of the Bureau for Private Postsecondary Education, Department of
22 Consumer Affairs.

23 2. On or about May 20, 2013, the Bureau for Private Postsecondary Education received
24 an application for an Approval to Operate for an Institution Non-Accredited from Southern
25 California University of Sports and Business (Respondent). On or about May 10, 2013, Sang Dae
26 Shin and Neung Mo Lee (members of the Board of Directors) certified under penalty of perjury to
27 the truthfulness of all statements, answers, and representations in the application. The Bureau
28 denied the application on January 29, 2016.

1 **JURISDICTION**

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

6 4. Section 94875 provides that the Bureau shall regulate private postsecondary
7 educational institutions through the powers granted, and duties imposed, by the California Private
8 Postsecondary Education Act of 2009 (Ed. Code, § 94800 et seq.)

9 **STATUTORY PROVISIONS**

10 5. Section 94837 states: "Educational program' means a planned sequence composed of
11 a single course or module, or set of related courses or modules, that provides education, training,
12 skills, or experience, or a combination of these."

13 6. Section 94886 provides, in pertinent part, that except as exempted in Article 4
14 (commencing with section 94874), a person shall not open, conduct, or do business as a private
15 postsecondary educational institution without obtaining an approval to operate from the Bureau.

16 7. Section 94885 states:

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

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

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

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

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

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

26 (6) The institution is financially sound and capable of fulfilling its commitments to
27 students.

28

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

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

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

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

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

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

15 8. Education Code section 94887:

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

21 **REGULATORY PROVISIONS**

22 9. California Code of Regulations, title 5, division 7.5, section 71100, states, in pertinent
23 part:

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

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

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

7 10. California Code of Regulations, title 5, section 71210, states:

8 “(a) The institution shall identify and describe the educational program it offers, or
9 proposes to offer. If the educational program is a degree program, the institution shall identify the
10 full title which it will place on each degree awarded.

11 “(b) In addition to the general title, such as “Bachelor of Arts” or “Master of Science,” each
12 degree title shall include the name of a specific major field of learning involved.

13 “(c) In addition, the institution shall list the following for each educational program offered:

14 (1) The admissions requirements, including minimum levels of prior education, preparation,
15 or training;

16 (2) If applicable, information regarding the ability-to-benefit examination as required by
17 section 94904 of the Code;

18 (3) The types and amount of general education required;

19 (4) The title of the educational programs and other components of instruction offered,
20 including a description of the level of the courses (e.g., below college level, undergraduate level,
21 graduate level);

22 (5) The method of instruction;

23 (6) The graduation requirements; and

24 (7) Whether the educational program is designed to fit or prepare students for employment
25 in any occupation. If so, the Form Application 94886 shall identify each occupation and job title
26 to which the institution represents the educational program will lead.”

27

28

1 11. California Code of Regulations, title 5, section 71220 states:

2 “For each educational program that the institution offers or proposes to offer, the Form
3 Application 94886 shall contain a statement that the educational program meets the requirements
4 of section 71710, as well as the following:

5 (a) A description of the educational program.

6 (b) A description of the equipment to be used during the educational program.

7 (c) A description of the number and qualifications of the faculty needed to teach the
8 educational program.

9 (d) A projection, and the bases for the projection, of the number of students that the
10 institution plans to enroll in the educational program during each of the three years following the
11 date the Form Application 94886 was submitted.

12 (e) A description of the learning, skills, and other competencies to be acquired by students
13 who complete the educational program.

14 (f) If licensure is a goal of an educational program, a copy of the approval from the
15 appropriate licensing agency if required. A copy of the intent to approve conditioned solely upon
16 institutional approval from the Bureau will also meet this requirement.

17 “Upon request, the institution shall provide to the Bureau copies of the curriculum or
18 syllabi required pursuant to section 71710.”

19 12. California Code of Regulations, title 5, section 71700 states:

20 “The Bureau may request that an institution document compliance with the standards set
21 forth in the Act and this Division to obtain and maintain an approval to operate.”

22 13. California Code of Regulations, title 5, section 71710 states, in pertinent part:

23 “In order to meet its mission and objectives, the educational program defined in section
24 94837 of the Code shall be comprised of a curriculum that includes:

25 ...

26 (c) Course or module materials that are designed or organized by duly qualified faculty. For
27 each course or module, each student shall be provided with a syllabus or course outline that
28 contains:

- 1 (1) A short, descriptive title of the educational program;
- 2 (2) A statement of educational objectives;
- 3 (3) Length of the educational program;
- 4 (4) Sequence and frequency of lessons or class sessions;
- 5 (5) Complete citations of textbooks and other required written materials;
- 6 (6) Sequential and detailed outline of subject matter to be addressed or a list of skills to be
- 7 learned and how those skills are to be measured;
- 8 (7) Instructional mode or methods.
- 9 (d) If degree granting, require research of an appropriate degree that utilizes a library and
- 10 other learning resources;
- 11 (e) Specific learning outcomes tied to the sequence of the presentation of the material to
- 12 measure the students' learning of the material; and
- 13 (f) Evaluation by duly qualified faculty of those learning outcomes.

14 14. California Code of Regulations, title 5, section 71720, subdivisions (a)(1) and (9)

15 states, in part:

- 16 (a) An Educational Program Leading to a Degree.
- 17 (1) An institution offering an educational program that leads to a degree shall employ duly
- 18 qualified faculty sufficient in number to provide the instruction, student advisement, and learning
- 19 outcomes evaluation necessary for the institution to document its achievement of its stated
- 20 mission and objectives, and for students to achieve the specific learning objectives of each course
- 21 offered;
- 22 . . .
- 23 (9) The institution shall maintain records documenting that each faculty member is duly
- 24 qualified and was qualified to perform the duties to which the faculty member was assigned,
- 25 including providing instruction, evaluating learning outcomes, evaluating graduate dissertations,
- 26 theses, and student projects, and participating on doctoral committees.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

FIRST CAUSE FOR DENIAL OF APPLICATION

(Education Programs)

15. Respondent's application is subject to denial under Education Code section 94887 and California Code of Regulations, title 5, division 7.5, section 71100, subdivisions (a) to (c), by failing to meet minimum operating standards, in that Respondent failed to provide sufficient evidence that all courses offered were designed or organized by duly qualified faculty, in violation of section 71710, subdivision (c).

SECOND CAUSE FOR DENIAL OF APPLICATION

(Faculty)

16. Respondent's application is subject to denial under Section 94887 and California Code of Regulations, title 5, section 71720, by failing to meet minimum operating standards, as follows:

a. Respondent failed to identify faculty qualified to design curriculum for its general education courses (American History, World History, College Algebra, Calculus, and Introduction to Scientific Research), in violation of California Code of Regulations, title 5, section 71720, subdivision (a)(9).

b. Respondent failed to provide sufficient evidence that duly qualified faculty sufficient in number have been contracted 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, in violation of California Code of Regulations, title 5, section 71720, subdivision (a)(1).

///
///
///
///
///
///
///
///


1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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 Southern California University of Sports and Business for an Approval to Operate for an Institution Non-Accredited;
2. Taking such other and further action as deemed necessary and proper.

DATED: 8/31/16



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

LA2016601206
52100806_3.doc