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

11  
12 In the Matter of the Statement of Issues  
Against:

Case No. 1002256

13 **AU LAC INSTITUTE,**

**STATEMENT OF ISSUES**

14 Application for Renewal of Approval to  
15 Operate an Institution Non-Accredited

16 Institution No. 4307321

17 Respondent.

18  
19 Complainant alleges:

20 PARTIES

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

24 2. On or about March 26, 2012, the Bureau for Private Postsecondary Education  
25 received an Application for Renewal of Approval to Operate an Institution Non-Accredited from  
26 Au Lac Institute (Respondent). On or about March 19, 2012, Daniel Vien certified under penalty  
27 of perjury to the truthfulness of all statements, answers, and representations in the application.

28





1 (15) The following statement:

2 "NOTICE CONCERNING TRANSFERABILITY OF CREDITS AND CREDENTIALS  
3 EARNED AT OUR INSTITUTION

4 The transferability of credits you earn at (name of institution) is at the complete discretion  
5 of an institution to which you may seek to transfer. Acceptance of the (degree, diploma, or  
6 certificate) you earn in (name of educational program) is also at the complete discretion of the  
7 institution to which you may seek to transfer. If the (credits or degree, diploma, or certificate) that  
8 you earn at this institution are not accepted at the institution to which you seek to transfer, you  
9 may be required to repeat some or all of your coursework at that institution. For this reason you  
10 should make certain that your attendance at this institution will meet your educational goals. This  
11 may include contacting an institution to which you may seek to transfer after attending (name of  
12 institution) to determine if your (credits or degree, diploma, or certificate) will transfer."

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

19 (A) Whether a graduate of the degree program will be eligible to sit for the applicable  
20 licensure exam in California and other states or become certified or registered as required for the  
21 applicable profession, occupation, trade, or career field in California.

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

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

27 ..."

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1           11. Section 94911 provides, in part:

2           “An enrollment agreement shall include, at a minimum, all of the following:

3           ...

4           “(i)(1) The following statement: ‘Prior to signing this enrollment agreement, you must be  
5 given a catalog or brochure and a School Performance Fact Sheet, which you are encouraged to  
6 review prior to signing this agreement. These documents contain important policies and  
7 performance data for this institution. This institution is required to have you sign and date the  
8 information included in the School Performance Fact Sheet relating to completion rates,  
9 placement rates, license examination passage rates, salaries or wages, and the most recent three-  
10 year cohort default rate, if applicable, prior to signing this agreement.’

11           “(2) Immediately following the statement required by paragraph (1), a line for the student to  
12 initial, including the following statement: ‘I certify that I have received the catalog, School  
13 Performance Fact Sheet, and information regarding completion rates, placement rates, license  
14 examination passage rates, salary or wage information, and the most recent three-year cohort  
15 default rate, if applicable, included in the School Performance Fact sheet, and have signed,  
16 initialed, and dated the information provided in the School Performance Fact Sheet.’”

17           12. Section 94913 provides:

18           “(a) An institution that maintains an Internet Web site shall provide on that Internet Web  
19 site all of the following:

20           (1) The school catalog.

21           (2) A School Performance Fact Sheet for each educational program offered by the  
22 institution.

23           (3) Student brochures offered by the institution.

24           (4) A link to the bureau's Internet Web site.

25           (5) The institution's most recent annual report submitted to the bureau.

26           “(b) An institution shall include information concerning where students may access the  
27 bureau's Internet Web site anywhere the institution identifies itself as being approved by the  
28 bureau.”



1 language services, including instruction such as ESL, are provided and, if so, the nature of the  
2 service and its cost;

3 (5) Whether any instruction will occur in a language other than English and, if so, the level  
4 of proficiency required and the kind of documentation of proficiency, such as the United States  
5 Foreign Service Language Rating System, that will be accepted;

6 ...

7 (9) A description of the facilities and of the types of equipment and materials that will be  
8 used for instruction;

9 ...

10 (13) Housing information including all of the following:

11 ...

12 (C) If the institution has no responsibility to find or assist a student in finding housing, a  
13 clear and conspicuous statement so indicating. A statement that the program is "non- residential"  
14 does not satisfy this subparagraph.

15 ...

16 "(15) Policies on the retention of student records."

17 17. Code of Regulations, title 5, section 74112 states:

18 "(a) Format. The format for the Performance Fact Sheet shall be in at least 12 pt. type, in an  
19 easily readable font, with 1.15 line spacing and all titles and column headings shall be in bold 14  
20 pt. type, which shall also identify the program for which the Performance Fact Sheet pertains. The  
21 Performance Fact Sheet shall contain all and only the information required or specifically  
22 permitted by sections 94910 and 94929.5 of the Code or this chapter. A separate Performance  
23 Fact Sheet shall be prepared for each program.

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

28 ...

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

2       (1) ‘Number of Students Who Began the Program’ means the number of students who  
3 began a program who were scheduled to complete the program within 100% of the published  
4 program length within the reporting calendar year, and excludes all students who cancelled during  
5 the cancellation period.

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

8       (3) ‘Gainfully Employed’ means:

9       (A)(i) The graduate is employed in a job classification under the United States Department  
10 of Labor's Standard Occupational Classification codes, using the Detailed Occupation (six-digit)  
11 level, for which the institution has identified in its catalog and in its employment positions list  
12 required by section 94910(f)(2) of the Code that the program prepares its graduates; and

13       (ii) The graduate is employed in a single position or concurrent aggregated positions  
14 totaling at least 30 hours per week for 5 weeks (35 calendar days), or totaling at least 20 hours per  
15 week for 5 weeks (35 calendar days) with a statement signed by the graduate stating that he or she  
16 chose to seek part-time employment rather than fulltime employment after graduation; or

17       (B) The graduate is employed by the same employer that employed the graduate before  
18 enrollment, and any of the following conditions are met:

19       (i) the graduate is employed in an occupation with a different Detailed Occupation (six-  
20 digit) level Standard Occupational Classification code than applies to the position in which the  
21 graduate was employed before enrollment; or

22       (ii) the employer or the graduate provides a statement to the effect that the employment  
23 after graduation was the result of a promotion with increased pay, due at least in part to  
24 graduation from the program; or

25       (iii) the employer or the graduate provides a statement to the effect that the degree or the  
26 completed program was required as a condition of continued employment; or

27       (C) The graduate is self-employed or working freelance as reasonably evidenced by, but not  
28 limited to, a business license, fictitious business name statement, advertising (other than business

1 cards), website, or business receipts or other evidence of income from business; or an attestation  
2 signed by the graduate of self-employment or freelance work and dated after graduation.

3 “(e) Reporting periods:

4 (1) An Annual Report shall include data for all educational programs as defined in section  
5 94837 of the Code for the previous one calendar year.

6 (2) A Performance Fact Sheet shall be current and available not later than December 1st,  
7 and shall report data for the previous two calendar years based upon the ‘number of students who  
8 began the program,’ as defined in subdivision (d)(1) of this section and were scheduled to  
9 graduate in the reported year(s).

10 ...

11 “(h) Completion Rates. Reporting of completion rates for an institution's Annual Report and  
12 Performance Fact Sheet shall include, for each educational program, the number of students who  
13 began the program as defined in subdivision (d)(1) of this section, the number of students  
14 available for graduation, number of on-time graduates, and completion rate(s). An optional table  
15 may be added to include completion rate data for students completing within 150% of the  
16 published program length. For an institution reporting completion data pursuant to section  
17 94929(b) of the Code, completion data shall be separately reported for each program and the  
18 Performance Fact Sheet shall disclose, if true, that the completion data is being reported for  
19 students completing within 150% of the published program length, and that data is not being  
20 separately reported for students completing the program within 100% of the published program  
21 length. Programs that are more than one year in length which are reporting 150% Completion  
22 Rate will provide four calendar years of data.

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

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1 **On-time Completion Rates (Graduation Rates)** (includes data for the two calendar years  
 2 prior to reporting)

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

4

5 <i>Calendar</i>	6 <i>Number of</i>	7 <i>Students</i>	8 <i>Number of</i>	9 <i>On-time</i>
10 <i>Year</i>	11 <i>Students Who</i>	12 <i>Available for</i>	13 <i>On-time</i>	14 <i>Completion</i>
	15 <i>Began the</i>	16 <i>Graduation</i>	17 <i>Graduates</i>	18 <i>Rate</i>
	19 <i>Program</i>			
20XX	100	98	70	71%
20XY	80	80	55	69%

11 **Students Completing Within 150% of the Published Program Length**

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

13

14 <i>Calendar</i>	15 <i>Number of</i>	16 <i>Students</i>	17 <i>150%</i>	18 <i>150%</i>
19 <i>Year</i>	20 <i>Students Who</i>	21 <i>Available for</i>	22 <i>Graduates</i>	23 <i>Completion</i>
	24 <i>Began the</i>	25 <i>Graduation</i>		26 <i>Rate</i>
	27 <i>Program</i>			
20XX	100	98	95	97%
20XY	80	80	78	98%
*20XZ	90	90	87	97%
*20YA	87	85	74	87%

23 \*Included only if program is more than one year in length

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

25 **Initial only after you have had sufficient time to read and understand the information.**

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1           “(i) Job Placement Rates.

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

5           (2) Placement is measured six months from the graduation date of each student. For  
6 programs that require passage of a licensing examination, placement shall be measured six  
7 months after the announcement of the examination results for the first examination available after  
8 a student completes an applicable educational program. Reporting of placement rates shall  
9 include for each educational program: the number of students who began the program, the  
10 number of graduates as defined in section 94842 of the Code, the graduates available for  
11 employment, graduates employed in the field and job placement rate(s).

12           (3) If the institution makes any claim related to preparing students for a job or regarding job  
13 placement, the list required by section 94910(f)(2) of the Code shall identify the employment  
14 positions by using the Detailed Occupation or six-digit level of the Standard Occupational  
15 Classification codes.

16           (4) Placement rate shall be calculated as follows: the number of graduates employed in the  
17 field as defined in section 94928(e)(1) of the Code in conjunction with section 74112(d)(3)  
18 divided by the number of graduates available for employment as defined in section 94928(d) of  
19 the Code.

20           Job Placement rates and related disclosures shall be included in the Performance Fact Sheet  
21 in a format substantially similar to the charts below, (dates, numbers, and other data shown are for  
22 example only):

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**Job Placement Rates** (includes data for the two calendar years prior to reporting)

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

<i>Calendar Year</i>	<i>Number of Students Who Began the Program</i>	<i>Number of Graduates</i>	<i>Graduates Available for Employment</i>	<i>Graduates Employed in the Field</i>	<i>Placement Rate % Employed in the Field</i>
20XX	100	70	70	55	79%
20XY	80	55	55	20	36%

**Gainful Employment Categories** (includes data for the two calendar years prior to reporting)

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

**Part Time vs. Full Time Employment**

	Graduates Employed in the field 20 to 29 hours per week	Graduates Employed in the field at least 30 hours per week	Total Graduates Employed in the Field
20XX	15	40	55
20XY	5	15	20

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**Single Position vs. Concurrent Aggregated Positions**

	Graduates Employed in the field in a single position	Graduates Employed in the field in concurrent aggregated positions	Total Graduates Employed in the Field
20XX	52	3	55
20XY	19	1	20

**Self-Employed/Freelance Positions**

	Graduates Employed who are self-employed or working freelance	Total Graduates Employed in the Field
20XX	3	55
20XY	5	20

**Institutional Employment**

	Graduates Employed in the field who are employed by the institution, an employer owned by the institution, or an employer who shares ownership with the institution	Total Graduates Employed in the Field
20XX	15	55
20XY	5	20

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

**Initial only after you have had sufficient time to read and understand the information.**

1 (5) The following self-employment/freelance worker disclosure shall be initialed by  
2 students entering any programs in which the majority of graduates who obtain jobs obtain in this  
3 type of work:

4 This program may result in freelance or self-employment.

5 • The work available to graduates of this program is usually for freelance or self-  
6 employment.

7 • This type of work may not be consistent.

8 • The period of employment can range from one day to weeks to several months.

9 • Hours worked in a day or week may be more or less than the traditional 8 hour work day  
10 or 40 hour work week.

11 • You can expect to spend unpaid time expanding your networks, advertising, promoting  
12 your services, or honing your skills.

13 • Once graduates begin to work freelance or are self-employed, they will be asked to  
14 provide documentation that they are employed as such so that they may be counted as placed for  
15 our job placement records.

16 • Students initialing this disclosure understand that either a majority or all of this school's  
17 graduates are employed in this manner and understand what comprises that work style.

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

19 **Only initial after you have had sufficient time to read and understand the information.**

20 ...

21 "(k) Salary and Wage Information.

22 All Salary and Wage Information shall be reported to the Bureau pursuant to sections  
23 94910(d) and 94929.5(a)(3) of the Code and shall be included in the Performance Fact Sheet, for  
24 each educational program, in a format substantially similar to the chart below (dates, numbers,  
25 salaries, and other data shown are for example only).

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1 **Salary and Wage Information** (includes data for the two calendar years prior to reporting)

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

3 *Annual Salary and Wages Reported for Graduates Employed in the Field*

4 <i>Calendar</i>	5 <i>Graduates</i>	6 <i>Graduates</i>	7 <i>\$15,000-</i>	8 <i>\$20,001-</i>	9 <i>\$25,001-</i>	10 <i>\$30,001-</i>	11 <i>No Salary</i>
12 <i>Year</i>	13 <i>Available</i>	14 <i>Employed</i>	15 <i>\$20,000</i>	16 <i>\$25,000</i>	17 <i>\$30,000</i>	18 <i>\$35,000</i>	19 <i>Information</i>
	20 <i>for</i>	21 <i>in the</i>					22 <i>Reported</i>
	23 <i>Employment</i>	24 <i>Field</i>					
25 20XX	26 100	27 70	28 5	29 40	30 6	31 3	32 16
33 20XY	34 80	35 55	36 5	37 7	38 3	39 5	40 35

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

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

14 **Initial only after you have had sufficient time to read and understand the information.**

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

17 The following are the definitions for the Performance Fact Sheet:

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

22 ‘Students Available for Graduation’ is the number of students who began the program  
23 minus the number of students who have died, been incarcerated, or been called to active military  
24 duty.

25 ‘Number of On-time Graduates’ is the number of students who completed the program  
26 within 100% of the published program length within the reporting calendar year.

27 ‘On-time Completion Rate’ is the number of on-time graduates divided by the number of  
28 students available for graduation.

1 '150% Graduates' is the number of students who completed the program within 150% of  
2 the program length (includes on-time graduates).

3 '150% Completion Rate' is the number of students who completed the program in the  
4 reported calendar year within 150% of the published program length, including on-time  
5 graduates, divided by the number of students available for graduation.

6 'Graduates Available for Employment' means the number of graduates minus the number  
7 of graduates unavailable for employment.

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

12 'Graduates Employed in the Field' means graduates who beginning within six months after  
13 a student completes the applicable educational program are gainfully employed, whose  
14 employment has been reported, and for whom the institution has documented verification of  
15 employment. For occupations for which the state requires passing an examination, the six month  
16 period begins after the announcement of the examination results for the first examination  
17 available after a student completes an applicable educational program.

18 'Placement Rate Employed in the Field' is calculated by dividing the number of graduates  
19 gainfully employed in the field by the number of graduates available for employment.

20 'Number of Graduates Taking Exam' is the number of graduates who took the first  
21 available exam in the reported calendar year.

22 'First Available Exam Date' is the date for the first available exam after a student  
23 completed a program.

24 'Passage Rate' is calculated by dividing the number of graduates who passed the exam by  
25 the number of graduates who took the reported licensing exam.

26 'Number Who Passed First Available Exam' is the number of graduates who took and  
27 passed the first available licensing exam after completing the program.

28 'Salary' is as reported by graduate or graduate's employer.

1 'No Salary Information Reported' is the number of graduates for whom, after making  
2 reasonable attempts, the school was not able to obtain salary information.

3 ...”

4 18. California Code of Regulations, title 5, section 74115 states:

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

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

10 (1) Audited and reviewed financial statements shall be conducted and prepared in  
11 accordance with the generally accepted accounting principles established by the American  
12 Institute of Certified Public Accountants by an independent certified public accountant who is not  
13 an employee, officer, or corporate director or member of the governing board of the institution.

14 (2) Financial statements prepared on an annual basis as required by section 74110(b) shall  
15 be prepared in accordance with the generally accepted accounting principles established by the  
16 American Institute of Certified Public Accountants. Nonprofit institutions shall provide annual  
17 financial statements as required under generally accepted accounting principles for nonprofit  
18 organizations.

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

21 (4) If an audit performed to determine compliance with any federal or state student financial  
22 aid program reveals any failure to comply with the requirements of the program and the  
23 noncompliance creates any liability or potential liability for the institution, the financial  
24 statements shall reflect the liability or potential liability.

25 (5) Any audits shall demonstrate that the accountant obtained an understanding of the  
26 institution's internal financial control structure, assessed any risks, and has reported any material  
27 deficiencies in the internal controls.

28

1           “(c) Work papers for the financial statements shall be retained for five years from the date  
2 of the statements and shall be made available to the Bureau upon request.

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

8           19. California Code of Regulations, title 5, section 76215 states, in part:

9           ...

10           “(b) In addition to the statement described under subdivision (a) of this section, a qualifying  
11 institution shall include the following statement on its current schedule of student charges:

12           “The State of California created the Student Tuition Recovery Fund (STRF) to relieve or  
13 mitigate economic losses suffered by students in educational programs who are California  
14 residents, or are enrolled in a residency programs attending certain schools regulated by the  
15 Bureau for Private Postsecondary and Vocational Education.

16           You may be eligible for STRF if you are a California resident or are enrolled in a residency  
17 program, prepaid tuition, paid the STRF assessment, and suffered an economic loss as a result of  
18 any of the following:

19           1. The school closed before the course of instruction was completed.

20           2. The school's failure to pay refunds or charges on behalf of a student to a third party for  
21 license fees or any other purpose, or to provide equipment or materials for which a charge was  
22 collected within 180 days before the closure of the school.

23           3. The school's failure to pay or reimburse loan proceeds under a federally guaranteed  
24 student loan program as required by law or to pay or reimburse proceeds received by the school  
25 prior to closure in excess of tuition and other costs.

26           4. There was a material failure to comply with the Act or this Division within 30 days  
27 before the school closed or, if the material failure began earlier than 30 days prior to closure, the  
28 period determined by the Bureau.



1 THIRD CAUSE FOR DENIAL OF APPLICATION

2 (Catalog)

3 (Ed. Code, §§ 94893; 94909, subds. (a)(5), (9), (15), (16); 94913; and  
4 Cal. Code Regs., tit. 5, §§ 71810, subds. (b)(4), (5), (9), (13)(C), (15); 76215, subd. (b))

5 22. Respondent's application is subject to denial because its proposed catalog fails to  
6 comply with the law on the following grounds:

7 a. The catalog did not include a description of the types of equipment and  
8 materials that will be used for instruction. (Cal. Code Regs., tit. 5, § 71810, subd. (b)(9).)

9 b. The catalog did not include the specifically required language that addresses  
10 transferability of credits and credentials. (Ed. Code, § 94909, subd. (a)(15).)

11 c. The catalog did not include language proficiency information, including the  
12 level of English language proficiency required of students and the kind of documentation of  
13 proficiency that will be accepted, and whether English language services are provided. (Cal. Code  
14 Regs., tit. 5, § 71810, subd. (b)(4).)

15 d. The catalog did not state whether any instruction will occur in a language other  
16 than English, and, if so, the level of proficiency required and the kind of documentation of  
17 proficiency that will be accepted. (Cal. Code Regs., tit. 5, § 71810, subd. (b)(5).)

18 e. The catalog did not include a description of the programs offered and a  
19 description of the instruction provided in each of the courses offered by the institution, or any  
20 final tests or examinations required for completion. (Ed. Code, § 94909, subd. (a)(5).)

21 f. The catalog did not include a statement specifying whether the institution or  
22 any of its degree programs are accredited by an accrediting agency recognized by the United  
23 States Department of Education. (Ed. Code, § 94909, subd. (a)(16).)

24 g. The catalog did not include a schedule of total charges for a period of  
25 attendance and an estimated schedule of total charges for the entire educational program. (Ed.  
26 Code, § 94909, subd. (a)(9).)

27 h. The catalog did not include a statement that no claim can be paid to any student  
28 without a social security number or a taxpayer identification number. (Cal. Code Regs., tit. 5, §  
76215, subd. (b).)

1 i. The catalog states that the institution offers the following programs which are  
2 currently not approved by the Bureau: Phlebotomy Technician and Nurse Assistant. (Ed. Code, §  
3 94893.):

4 j. The catalog did not include information regarding the institution's  
5 responsibility to find or assist a student in finding housing. (Cal. Code Regs., tit. 5, § 71810,  
6 subd. (b)(13)(C).).

7 k. The catalog did not include a statement regarding how long records are stored.  
8 (Cal. Code Regs., tit. 5, § 71810(b)(15).).

9 l. The institution's website does not include a school catalog, School Performance  
10 Fact Sheet for each educational program offered by the institution, student brochures offered by  
11 the institution, a link to the Bureau's website, or the institution's most recent annual report  
12 submitted to the Bureau. (Ed. Code, § 94913.).

13 FOURTH CAUSE FOR DENIAL OF APPLICATION

(School Performance Fact Sheet)

14 (Cal. Code Regs., tit. 5, §§ 74112, subds. (a), (d)(1) to (3), (e)(2), (h), (i)(2) and (4), (k), (l))

15 23. Respondent's application is subject to denial because its School Performance Fact  
16 Sheet fails to comply with the law on the following grounds:

17 a. Respondent did not submit a School Performance Fact Sheet in the correct  
18 format. (Cal. Code Regs., tit. 5, § 74112, subd. (a).).

19 b. Respondent did not provide a School Performance Fact Sheet that includes the  
20 required definition for "Number of Students Who Began Program," and includes all the students  
21 who remained enrolled after their cancellation period. (Cal. Code Regs., tit. 5, § 74112, subd.  
22 (d)(1).)<sup>2</sup>

23 c. Respondent did not provide a School Performance Fact Sheet that includes the  
24 required definition for "Number of Graduates." (Cal. Code Regs., tit. 5, § 74112, subd. (d)(2).)<sup>3</sup>

25  
26 <sup>2</sup> California Code of Regulations, title 5, section 74112 was amended, effective July 14,  
27 2016. Thus, subdivision (d)(1) was formerly subdivision (b)(1).

28 <sup>3</sup> California Code of Regulations, title 5, section 74112, subdivision (d)(2) was formerly  
subdivision (b)(2).

1 d. Respondent did not provide a School Performance Fact Sheet that includes the  
2 required definition for "Graduates Employed in the Field," as specified in Education Code section  
3 94928, subdivision (e) and Code of Regulation, title 5, section 74112, subdivision (d)(3). (Cal.  
4 Code Regs., tit. 5, § 74112, subd. (d)(3).)<sup>4</sup>

5 e. Respondent did not provide a School Performance Fact Sheet that reported data  
6 for the previous two calendar years prior to reporting. Specifically, the Performance Fact Sheet is  
7 missing data for the 2013 calendar year. (Cal. Code Regs., tit. 5, § 74112, subd. (e)(2).)<sup>5</sup>

8 f. Respondent did not provide a School Performance Fact Sheet that includes the  
9 number of students who began program, the number of students available for graduation, the  
10 number of graduates, and the program length for each program in the Completion Rate table.  
11 (Cal. Code Regs., tit. 5, § 74112, subd. (h).)<sup>6</sup>

12 g. Respondent did not provide a School Performance Fact Sheet that includes the  
13 information regarding number of Students Who Began Program, students available for  
14 graduation, graduates, and completion rates. (Cal. Code Regs., tit. 5, § 74112, subd. (l).)<sup>7</sup>

15 h. Respondent did not provide a School Performance Fact Sheet that includes a  
16 separate Placement Rate table that includes the number of students who began the program, the  
17 number of graduates, graduates available for employment, and graduates employed in the field.  
18 (Cal. Code Regs., tit. 5, § 74112, subds. (i)(2).)<sup>8</sup>

19 i. Respondent did not provide a School Performance Fact Sheet that includes data  
20 for the number of graduates employed in the field, or the number of graduates available for  
21 employment. (Cal. Code Regs., tit. 5, § 74112, subd. (i)(4).)<sup>9</sup>

22 <sup>4</sup> California Code of Regulations, title 5, section 74112, subdivision (d)(3) was formerly  
23 subdivision (b)(3).

24 <sup>5</sup> California Code of Regulations, title 5, section 74112, subdivision (e)(2) was formerly  
25 subdivision (c)(2).

26 <sup>6</sup> California Code of Regulations, title 5, section 74112, subdivision (h) was formerly  
27 subdivision (d).

28 <sup>7</sup> California Code of Regulations, title 5, section 74112, subdivision (l) was formerly  
subdivision (d).

<sup>8</sup> California Code of Regulations, title 5, section 74112, subdivision (i)(2) was formerly  
subdivisions (e)(1) and (2).

<sup>9</sup> California Code of Regulations, title 5, section 74112, subdivision (i)(4) was formerly  
subdivision (e)(3).

1 j. Respondent did not provide a School Performance Fact Sheet that includes data  
2 regarding graduates employed in the filed on average of less than 32 hours per week and  
3 graduates employed in the field at least 32 hours a week for each of its approved programs. (Cal.  
4 Code Regs., tit. 5, § 74112, subd. (i).)<sup>10</sup>

5 k. Respondent did not provide a School Performance Fact Sheet that includes  
6 information for the number of students who began program, number of graduates, graduates  
7 available for employment, graduates employed in the field, and how placement rate is calculated.  
8 (Cal. Code Regs., tit. 5, § 74112, subd. (l).)<sup>11</sup>

9 l. Respondent did not provide a School Performance Fact Sheet that includes  
10 Salary and Wage data. (Cal. Code Regs., tit. 5, § 74112, subd. (k).)<sup>12</sup>

11 PRAYER

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

- 15 1. Denying the application of Au Lac Institute for Renewal of Approval to Operate an  
16 Institution Non-Accredited (application number 24617); and;  
17 2. Taking such other and further action as deemed necessary and proper.

18  
19 DATED: 8/18/2017

Leeza Riferedi  
20 LEEZA RIFREDI  
21 Deputy Chief  
22 Bureau for Private Postsecondary Education  
23 Department of Consumer Affairs  
24 State of California  
25 *Complainant*

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25 <sup>10</sup> California Code of Regulations, title 5, section 74112, subdivision (i) was formerly  
26 subdivision (e)(4).

27 <sup>11</sup> California Code of Regulations, title 5, section 74112, subdivision (l) was formerly  
28 subdivision (e).

<sup>12</sup> California Code of Regulations, title 5, section 74112, subdivision (k) was formerly  
subdivision (g).