

1 XAVIER BECERRA
Attorney General of California
2 LINDA L. SUN
Supervising Deputy Attorney General
3 STEPHEN D. SVETICH
Deputy Attorney General
4 State Bar No. 272370
300 So. Spring Street, Suite 1702
5 Los Angeles, CA 90013
Telephone: (213) 897-2540
6 Facsimile: (213) 897-2804
E-mail: Stephen.Svetich@doj.ca.gov
7 *Attorneys for Complainant*

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
12 Against:

Case No. 1002170

13 **HI-DESERT TRUCK DRIVING SCHOOL**

STATEMENT OF ISSUES

14 **Renewal of Approval to Operate and Offer**
15 **Educational Programs for Non-Accredited**
16 **Institutions Applicant**

16 **School Code: 74722111**

17 Respondent.

18
19
20 Complainant alleges:

21 **PARTIES**

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

25 2. On or about November 29, 2012, the Bureau received an Application for Renewal of
26 Approval to Operate and Offer Educational Programs for Non-Accredited Institutions (the
27 "Application") from Hi-Desert Truck Driving School ("Respondent"). On or about November 26,
28 2012, Karanjodh S. Johal and Sukhjodh S. Johal certified under penalty of perjury to the

1 truthfulness of all statements, answers, and representations in the application. The Bureau denied
2 the application on October 4, 2016.

3 JURISDICTION

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

7 4. Code section 94886 states that:

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

12 5. Section 94893 of the Education Code states:

13 "If an institution intends to make a substantive change to its approval to operate, the
14 institution shall receive prior authorization from the bureau. Except as provided in subdivision (a)
15 of Section 94896, if the institution makes the substantive change without prior bureau
16 authorization, the institution's approval to operate may be suspended or revoked."

17 6. Section 94894 of the Education Code states:

18 "The following changes to an approval to operate are considered substantive changes and
19 require prior authorization:

20 "(a) A change in educational objectives, including an addition of a new diploma or a
21 degree educational program unrelated to the approved educational programs offered by the
22 institution.

23 "(b) A change in ownership.

24 "(c) A change in control...."

25 7. Section 94897 of the Education Code states:

26 "An institution shall not do any of the following: ...

27 "(e) Advertise, or indicate in promotional material, that the institution is accredited, unless
28 the institution has been accredited by an accrediting agency...."

1 8. Section 94902 of the Education Code states:

2 “(a) A student shall enroll solely by means of executing an enrollment agreement. The
3 enrollment agreement shall be signed by the student and by an authorized employee of the
4 institution.

5 “(b) An enrollment agreement is not enforceable unless all of the following requirements are
6 met:

7 “(1) The student has received the institution’s catalog and School Performance Fact
8 Sheet prior to signing the enrollment agreement.

9 “(2) At the time of the execution of the enrollment agreement, the institution held a
10 valid approval to operate.

11 “(3) Prior to the execution of the enrollment agreement, the student and the
12 institution have signed and dated the information required to be disclosed in the Student
13 Performance Fact Sheet pursuant to subdivisions (a) to (d), inclusive, of Section 94910.
14 Each of these items in the Student Performance Fact Sheet shall include a line for the
15 student to initial and shall be initialed and dated by the student.

16 “(c) A student shall receive a copy of the signed enrollment agreement, in writing or
17 electronically, regardless of whether total charges are paid by the student.”

18 9. Section 94910 of the Education Code states:

19 "Except as provided in subdivision (d) of Section 94909 and Section 94910.5, prior to
20 enrollment, an institution shall provide a prospective student with a School Performance Fact
21 Sheet containing, at a minimum, the following information, as it relates to the educational
22 program:

23 "(a) Completion rates, as calculated pursuant to Article 16 (commencing with Section
24 94928).

25 "(b) Placement rates for each educational program, as calculated pursuant to Article 16
26 (commencing with Section 94928), if the educational program is designed to lead to, or the
27 institution makes any express or implied claim related to preparing students for, a particular career,
28 occupation, vocation, job, or job title.

1 "(c) License examination passage rates for programs leading to employment for which
2 passage of a state licensing examination is required, as calculated pursuant to Article 16
3 (commencing with Section 94928).

4 "(d) (1) Salary or wage information, as calculated pursuant to Article 16 (commencing with
5 Section 94928). . . .

6 "(e) If a program is too new to provide data for any of the categories listed in this
7 subdivision, the institution shall state on its fact sheet: "This program is new. Therefore, the
8 number of students who graduate, the number of students who are placed, or the starting salary
9 you can earn after finishing the educational program are unknown at this time. Information
10 regarding general salary and placement statistics may be available from government sources or
11 from the institution, but is not equivalent to actual performance data."

12 "(f) All of the following:

13 "(1) A description of the manner in which the figures described in subdivisions (a) to
14 (d), inclusive, are calculated or a statement informing the reader of where he or she may
15 obtain a description of the manner in which the figures described in subdivisions (a) to (d),
16 inclusive, are calculated.

17 "(2) A statement informing the reader of where he or she may obtain from the
18 institution a list of the employment positions determined to be within the field for which a
19 student received education and training for the calculation of job placement rates as
20 required by subdivision (b).

21 "(3) A statement informing the reader of where he or she may obtain from the
22 institution a list of the objective sources of information used to substantiate the salary
23 disclosure as required by subdivision (d).

24 "(g) The following statements:

25 "(1) "This fact sheet is filed with the Bureau for Private Postsecondary Education.
26 Regardless of any information you may have relating to completion rates, placement rates,
27 starting salaries, or license exam passage rates, this fact sheet contains the information as
28 calculated pursuant to state law."

1 “(2) “Any questions a student may have regarding this fact sheet that have not been
2 satisfactorily answered by the institution may be directed to the Bureau for Private
3 Postsecondary Education at (address), Sacramento, CA (ZIP Code), (Internet Web site
4 address), (telephone and fax numbers).”

5 “(h) If the institution participates in federal financial aid programs, the most recent three-year
6 cohort default rate reported by the United States Department of Education for the institution and
7 the percentage of enrolled students receiving federal student loans.

8 “(i) Data and information disclosed pursuant to subdivisions (a) to (d), inclusive, is not
9 required to include students who satisfy the qualifications specified in subdivision (d) of Section
10 94909, but an institution shall disclose whether the data, information, or both provided in its fact
11 sheet excludes students pursuant to this subdivision. An institution shall not actively use data
12 specific to the fact sheet in its recruitment materials or other recruitment efforts of students who
13 are not California residents and do not reside in California at the time of their enrollment.”

14 10. Section 94912 of the Education Code states:

15 “Prior to the execution of an enrollment agreement, the information required to be disclosed
16 pursuant to subdivisions (a) to (d), inclusive, of Section 94910 shall be signed and dated by the
17 institution and the student. Each of these items shall also be initialed and dated by the student.”

18 11. Section 94913 of the Education Code states in pertinent part:

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

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

23 12. Section 94928 of the Education Code states in pertinent part:

24 “As used in this article, the following terms have the following meanings:

25 “(a) ‘Cohort population’ means the number of students that began a program on a cohort
26 start date.

27 “(b) ‘Cohort start date’ means the first class day after the cancellation period during which a
28 cohort of students attends class for a specific program.

1 “(c) ‘On-time graduates’ means the number of students who complete a program within 100
2 percent of the published program length. An institution may separately state completion
3 information for students completing the program within 150 percent of the original contracted
4 time, but that information may not replace completion information for students completing within
5 the original scheduled time. Completion information shall be separately stated for each campus or
6 branch of the institution.

7 “(d) ‘Graduates available for employment’ means the number of graduates minus the number
8 of graduates unavailable for employment.

9 “(e) (1) ‘Graduates employed in the field’ means graduates who are gainfully employed in a
10 single position for which the institution represents the program prepares its graduates, beginning
11 within six months after a student completes the applicable educational program. For occupations
12 for which the state requires passing an examination, the period of employment shall begin within
13 six months of the announcement of the examination results for the first examination available after
14 a student completes an applicable educational program.

15 “(2) The bureau shall define by July 1, 2014, specific measures and standards for
16 determining whether a student is gainfully employed in a full-time or part-time position for
17 which the institution represents the program prepares its graduates, including self-
18 employment or conducting freelance work, and may set the standards for the hours per
19 week and duration of employment and utilize any job classification methodology the bureau
20 determines appropriate for this purpose, including, but not limited to, the United States
21 Department of Labor’s Standard Occupational Classification codes.

22 “(3) This subdivision shall not prohibit the bureau from authorizing an institution to
23 aggregate single positions held by a graduate for purposes of meeting the hours per week
24 standards established by the bureau.

25 “(f) ‘Graduates unavailable for employment’ means graduates who, after graduation, die,
26 become incarcerated, are called to active military duty, are international students that leave the
27 United States or do not have a visa allowing employment in the United States, or are continuing
28 their education at an accredited or bureau-approved postsecondary institution.

1 “(g) ‘Students available for graduation’ means the cohort population minus the number of
2 students unavailable for graduation.

3 “(h) ‘Students unavailable for graduation’ means students who have died, been incarcerated,
4 or called to active military duty.”

5 13. Section 94929.5 of the Education Code states in pertinent part:

6 “(a) An institution shall annually report to the bureau, as part of the annual report, and shall
7 publish in its School Performance Fact Sheet, all of the following:

8 “(1) The job placement rate, calculated by dividing the number of graduates
9 employed in the field by the number of graduates available for employment for each program
10 that is either (1) designed, or advertised, to lead to a particular career, or (2) advertised or
11 promoted with any claim regarding job placement.

12 “(2) The license examination passage rates for the immediately preceding two years
13 for programs leading to employment for which passage of a state licensing examination is
14 required, calculated by dividing the number of graduates who pass the examination by the
15 number of graduates who take the licensing examination the first time that the examination is
16 available after completion of the educational program. The institution shall use state agency
17 licensing data to calculate license examination passage rates. If those data are unavailable,
18 the institution shall calculate the license examination passage rate in a manner consistent with
19 regulations adopted by the bureau.

20 “(3) Salary and wage information, consisting of the total number of graduates
21 employed in the field and the annual wages or salaries of those graduates stated in
22 increments of five thousand dollars (\$5,000).

23 “(4) If applicable, the most recent official three-year cohort default rate reported by
24 the United States Department of Education for the institution and the percentage of enrolled
25 students receiving federal student loans.

26 “(b) Nothing in this section shall limit the bureau’s authority to collect information from an
27 institution to comply with this section and ensure, by regulation and other lawful means, that the
28

1 information required by this section, and the manner in which it is collected and reported, is all of
2 the following:

3 “(1) Useful to students.

4 “(2) Useful to policymakers.

5 “(3) Based upon the most credible and verifiable data available.

6 “(4) Does not impose undue compliance burdens on an institution.

7 “(c) Data and information disclosed pursuant to paragraphs (1) to (3), inclusive, of
8 subdivision (a) is not required to include students who satisfy the qualifications specified in
9 subdivision (d) of Section 94909, but an institution shall disclose on its fact sheet and to the bureau
10 whether its data, information, or both, excludes any students pursuant to this subdivision.”

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

12 “(a) ‘Board’ as used in any provisions of this Code, refers to the board in which the
13 administration of the provision is vested, and unless otherwise expressly provided, shall include
14 ‘bureau,’ ‘commission,’ ‘committee,’ ‘department,’ ‘division,’ ‘examining committee,’ ‘program,’ and
15 ‘agency.’”

16 15. Title 5, Section 71475 of the California Code of Regulations states:

17

18 “(c) The application for renewal of approval to operate and offer educational programs for
19 non-accredited institutions shall include all of the following:

20

21 “(5) The name, address, email address, telephone number, and fax number of an
22 individual who will function as the institution’s contact person for the purposes of the
23 application. . . .

24 “(7) The name, title, address, email address, telephone number, nature of interest and
25 percentage of ownership of each person, as defined in section 94855 of the Code, who
26 owns or controls 25% or more of the stock or an interest in the institution and, to the
27 extent applicable, each general partner, officer, corporate director, member of the board of
28 directors, and any other person who exercises substantial control over the institution’s

1 management or policies. For the purpose of this paragraph, a person exercises “substantial
2 control over the institution's management or policies” if the person has the authority to
3 cause the institution to expend money or incur debt in the amount of five thousand dollars
4 (\$5,000) or more in any year.

5 “(A) For each address required, the institution shall provide a physical home
6 address, and may request that the address, email address, and telephone number, of
7 each person described in paragraph (7) be maintained as personal information.

8 “(B) The federal employer identification number for partnerships or the social
9 security number for individual owners identified in the application pursuant to
10 section 71130(a)(1)....

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

15 16. Title 5, Section 71400.5 of the California Code of Regulations states in part:

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17 “(b) In addition to denying an application pursuant to section 94887 of the Code, the Bureau
18 may deny any application based on any act that constitutes grounds for the denial of a license
19 under Section 480 of the Business and Professions Code, incorporated herein by reference.”

20 17. Title 5, Section 71640 of the California Code of Regulations states in part:

21 “(a) An institution seeking to change the business organization form, control, or ownership
22 as defined in sections 94821, 94822, or 94823, respectively shall complete the “Change of
23 Business Organization/Control/Ownership” form (OWN rev. 2/10) to obtain prior authorization.
24 The form shall be submitted to the Bureau along with the appropriate fee as provided in Section
25 94930.5(c) of the Code. An application under this section shall be signed by all signatories to the
26 initial application, or the last approved application under this section, as well as the persons
27 required to sign an application pursuant to section 71380 for institutions approved under section
28

1 94885 of the code and section 71390 for institutions approved under section 94890 of the
2 code....”

3 18. Title 5, Section 71660 of the California Code of Regulations states in part:

4 “An institution shall notify the Bureau of a non-substantive change including: change of
5 location of less than 10 miles; addition of a program related to the approved programs offered by
6 the institution; addition of a new branch five miles or less from the main or branch campus;
7 addition of a satellite; and change of mailing address. All such notifications shall be made within 30
8 days of the change and sent to the Bureau, in writing, to the address listed in section 70020.”

9 19. Title 5, Section 74112 of the California Code of Regulations states in part:

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

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

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

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

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

28

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

4 “(3) “Gainfully Employed” means:

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

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

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

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

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

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

28

1 “(C) The graduate is self-employed or working freelance as reasonably
2 evidenced by, but not limited to, a business license, fictitious business name
3 statement, advertising (other than business cards), website, or business receipts or
4 other evidence of income from business; or an attestation signed by the graduate of
5 self-employment or freelance work and dated after graduation.

6 “(e) Reporting periods:

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

9 “(2) A Performance Fact Sheet shall be current and available not later than December
10 1st, and shall report data for the previous two calendar years based upon the “number of
11 students who began the program,” as defined in subdivision (d)(1) of this section and were
12 scheduled to graduate in the reported year(s).

13 “(f) Total Charges. The institution's Annual Report and Performance Fact Sheet shall include
14 the total charges for a student to complete the program within 100% of the program length. The
15 institution must include the disclosure that there may be additional charges if the program is not
16 completed on-time.

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

19 **“Cost of Educational Program:**

20 Total Charges for the program for students completing on-time in 20XX: \$50,000.

21 Total Charges may be higher for students that do not complete on-time.

22 Student's Initials: _____ Date: _____

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

24 “(g) Student Loan/Debt Information.

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

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

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

2 “(C) The average amount of federal student loan debt of those graduates who have
3 federal student loan debt in the reporting year; and

4 “(D) The percentage of graduates with federal student loans, as calculated by the
5 institution.

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

8 **“Federal Student Loan Debt at (Name of Institution)**

| | |
|--|------------------|
| 9 Percentage of students who defaulted on their federal student loans at this school: | 28% ¹ |
| 10 Percentage of students enrolled in 20XX who took out federal student loans to pay 11 for this program: | 43% |
| 12 Percentage of graduates in 20XX who took out federal student loans to pay for this 13 program: | 65% |
| 14 Average federal student loan debt of 20XX graduates who took out federal student 15 loans at this institution: | \$26,000 |

16
17 ¹ The percentage of students who defaulted on their federal student loans is called the Cohort
18 Default Rate (CDR). It shows the percentage of this school's students who were more than 270
19 days (about 9 months) behind on their federal student loans within three years of when the first
20 payment was due. This is the most recent CDR reported by the U.S. Department of Education.
21 Student's Initials: _____ Date: _____

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

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

25 “Students at (name of institution) are not eligible for federal student loans. The U.S. Department
26 of Education has determined that this institution does not meet the criteria that would allow its
27 students to participate in federal student aid programs.

28 or

(Name of Institution) is eligible, but chooses not to participate in federal student aid programs. So
students here do not have federal student loans.

Student's Initials: _____ Date: _____

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

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“(h) 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 (d)(1) of this section, the number of students available for graduation, number of on-time graduates, and completion rate(s). An optional table may be added to include completion rate data for students completing within 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 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. Programs that are more than one year in length which are reporting 150% Completion Rate will provide four calendar years of data.

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

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

Name of Educational Program (Program Length)

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

| | | | | |
|------|----|----|----|-----|
| 20XY | 80 | 80 | 55 | 69% |
|------|----|----|----|-----|

Students Completing Within 150% of the Published Program Length

Name of Educational Program (Program Length)

| | <i>Number of</i> | <i>Students</i> | | <i>150%</i> |
|-----------------|---------------------|----------------------|------------------|-------------------|
| <i>Calendar</i> | <i>Students Who</i> | <i>Available for</i> | <i>150%</i> | <i>Completion</i> |
| <i>Year</i> | <i>Began the</i> | <i>Graduation</i> | <i>Graduates</i> | <i>Rate</i> |
| | <i>Program</i> | | | |
| 20XX | 100 | 98 | 95 | 97% |
| 20XY | 80 | 80 | 78 | 98% |
| *20XZ | 90 | 90 | 87 | 97% |
| *20YA | 87 | 85 | 74 | 87% |

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

Student's Initials: _____ Date: _____

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

“(i) 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 (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 graduates as defined in section 94842 of the Code, the graduates available for employment, graduates employed in the field and job placement rate(s).

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

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

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

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

Name of Educational Program (Program Length)

| | | | | | <i>Placement</i> |
|-----------------|---------------------|------------------|----------------------|--------------------|--------------------|
| | <i>Number of</i> | | <i>Graduates</i> | <i>Graduates</i> | <i>Rate %</i> |
| <i>Calendar</i> | <i>Students Who</i> | <i>Number of</i> | <i>Available for</i> | <i>Employed in</i> | <i>Employed in</i> |
| <i>Year</i> | <i>Began the</i> | <i>Graduates</i> | <i>Employment</i> | <i>the Field</i> | <i>the Field</i> |

| | | | | | |
|------|----------------|----|----|----|-----|
| | <i>Program</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 |

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.

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

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

- The work available to graduates of this program is usually for freelance or self-employment.
- This type of work may not be consistent.
- The period of employment can range from one day to weeks to several months.
- Hours worked in a day or week may be more or less than the traditional 8 hour work day or 40 hour work week.
- You can expect to spend unpaid time expanding your networks, advertising, promoting your services, or honing your 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 either a majority or all of this school's graduates are employed in this manner and understand what comprises that work style.

Student's Initials: _____ Date: _____

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

“(j) 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 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.”

1 “Reporting of license examination passage rates for the Annual Report and the Performance
 2 Fact Sheet shall include, for each educational program: the number of graduates in the reported
 3 year, the number of documented graduates who passed the first available examination, number of
 4 documented graduates who failed the first available examination, the number of graduates for
 5 whom data is not available. An optional column may be added to separately report licensing
 6 examination data for graduates who take and pass the exam after failing initially. The Annual
 7 Report shall also include a description of the processes for attempting to contact those students.

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

11 “License Examination Passage Rates (includes data for the two calendar years prior to
 12 reporting)

13 “Name of Educational Program (Program Length)

| 14 15 16 17 | First Available Exam Date | Date Exam Results Announced | Number of Graduates in Calendar Year | Number of Graduates Taking Exam | Number Who Passed Exam | Number Who Failed Exam | Passage Rate |
|----------------------|---------------------------|-----------------------------|--------------------------------------|---------------------------------|------------------------|------------------------|--------------|
| 18 | 2/1/20XX | 3/15/20XX | 277 | 80 | 40 | 40 | 50% |
| 19 | 6/1/20XX | 7/15/20XX | 277 | 100 | 75 | 25 | 75% |
| 20 | 10/1/20XX | 11/15/20XX | 277 | 82 | 68 | 14 | 76% |
| 21 | 2/1/20XY | 3/20/20XX | 304 | 80 | 40 | 40 | 50% |
| 22 | 6/1/20XY | 7/19/20XX | 304 | 100 | 70 | 30 | 70% |
| 23 | 10/1/20XY | 11/19/20XX | 304 | 92 | 62 | 30 | 67% |

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

26 Student's Initials: _____ Date: _____

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

28 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 (dates, numbers, and other data shown are for example only):

“License Examination Passage Rates (includes data for the two calendar years prior to reporting)

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"Name of Educational Program (Program Length)

| <i>Calendar</i> | <i>Number of</i> | <i>Number of</i> | <i>Number Who</i> | <i>Number</i> | <i>Passage</i> |
|-----------------|---------------------|------------------|---------------------|---------------------|----------------|
| <i>Year</i> | <i>Graduates in</i> | <i>Graduates</i> | <i>Who</i> | <i>Who</i> | <i>Rate</i> |
| | <i>Calendar</i> | <i>Taking</i> | <i>Passed First</i> | <i>Failed First</i> | |
| | <i>Year</i> | <i>Exam</i> | | | |
| | | | <i>Available</i> | <i>Available</i> | |
| | | | <i>Exam</i> | <i>Exam</i> | |
| 20XX | 95 | 80 | 40 | 40 | 50% |
| 20XY | 109 | 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: _____

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

"(k) Salary and Wage Information.

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

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

Name of Educational Program (Program Length)

| |
|---|
| <i>Annual Salary and Wages Reported for Graduates Employed in the Field</i> |
| |
| |

| | <i>Graduates</i> | <i>Graduates</i> | | | | | <i>No Salary</i> |
|----------------------|----------------------|--------------------|------------------|------------------|------------------|------------------|--------------------|
| <i>Calendar Year</i> | <i>Available for</i> | <i>Employed in</i> | <i>\$15,000-</i> | <i>\$20,001-</i> | <i>\$25,001-</i> | <i>\$30,001-</i> | <i>Information</i> |
| <i>Year</i> | <i>Employment</i> | <i>the Field</i> | <i>\$20,000</i> | <i>\$25,000</i> | <i>\$30,000</i> | <i>\$35,000</i> | <i>Reported</i> |
| 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: _____

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

"(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.

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

3 ““150% Graduates” is the number of students who completed the program within 150% of
4 the program length (includes on-time graduates).

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

8 ““Graduates Available for Employment” means the number of graduates minus the number
9 of graduates unavailable for employment.

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

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

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

22 ““Number of Graduates Taking Exam” is the number of graduates who took the first
23 available exam in the reported calendar year.

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

26 ““Passage Rate” is calculated by dividing the number of graduates who passed the exam by
27 the number of graduates who took the reported licensing exam.

28

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

3 ““Salary” is as reported by graduate or graduate's employer.

4 ““No Salary Information Reported” is the number of graduates for whom, after making
5 reasonable attempts, the school was not able to obtain salary information.

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

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

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

14 “(3) graduate's place of employment and position, date employment began, date
15 employment ended, if applicable, actual salary, hours per week, and the date employment
16 was verified;

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

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

23 “(6) a description of all attempts to contact each student or employer;

24 “(7) any and all documentation used to provide data regarding license examinations
25 and examination results;

26 “(8) for each student determined to be unavailable for graduation or unavailable for
27 employment, the identity of the student, the type of unavailability, the dates of unavailability,
28 and the documentation of the unavailability; and

1 “(9) the name, email address, phone number, and position or title of the institution's
2 representative who was primarily responsible for obtaining the students' completion,
3 placement, licensing, and salary and wage data, the date that the information was gathered,
4 and copies of notes, letters or emails through which the information was requested and
5 gathered.

6 “(n) The institution shall provide on a separate document along with the Performance Fact
7 Sheet the same cancellation disclosure as that which is required to be included with the enrollment
8 agreement by Section 94911(e)(1) of the Code. The separate document shall be substantially the
9 same size as the Performance Fact Sheet and shall be captioned “STUDENT'S RIGHT TO
10 CANCEL” using bold 14 pt. type.

11 20. Title 5, Section 74115 of the California Code of Regulations states in part:

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

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

19 “(2) Financial statements prepared on an annual basis as required by section 74110(b) shall
20 be prepared in accordance with the generally accepted accounting principles established by the
21 American Institute of Certified Public Accountants. Nonprofit institutions shall provide annual
22 financial statements as required under generally accepted accounting principles for nonprofit
23 organizations.

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

26 “(4) If an audit performed to determine compliance with any federal or state student financial
27 aid program reveals any failure to comply with the requirements of the program and the
28

1 noncompliance creates any liability or potential liability for the institution, the financial statements
2 shall reflect the liability or potential liability.

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

6 21. Title 5, Section 71745 of the California Code of Regulations states in part:

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

9 “(5) Pay all operating expenses due within 30 days.

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

19 **FIRST CAUSE FOR DENIAL OF APPLICATION**

20 **(Failure to Provide Accurate Ownership Information in Application)**

21 22. Respondent's Application is subject to denial under Education Code section 94893;
22 and California Code of Regulations, title 5, sections 71475(c)(7) and 71640(a), in that Respondent
23 failed to provide accurate ownership information in its Application. The circumstances are as
24 follows:

25 a. On or about January 17, 2006, Respondent began offering postsecondary
26 education programs under Institution/School Code No. 74722111. As of that date, Respondent
27 informed the Bureau that Balvinder Johal had an ownership interest of 100% in Respondent.

28

1 b. On its Application, Respondent indicated that there have not been any
2 substantive changes in Respondent's Organization and Management.

3 c. If there were any substantive changes in the ownership of Respondent,
4 Respondent is required to obtain prior authorization from the Bureau before making any
5 substantives changes. Substantive changes requiring prior approval include changes to ownership
6 or control of Respondent. Respondent has never requested approval from the Bureau to make or
7 implement any substantive changes to its ownership or control. Respondent has never filed a
8 Change of Business, Organization, Ownership Control with the Bureau. Such a form is required
9 whenever a licensee has a change of ownership. Thus, Bureau records still indicate that Balvinder
10 Johal maintains a 100% ownership interest in Respondent.

11 d. However, in its Application, Respondent stated that Karanjodh S. Johal has a
12 40% ownership interest in Respondent and that Sukhjodh S. Johal has a 40% ownership interest in
13 Respondent. These statements are inconsistent with the information Respondent previously
14 provided to the Bureau.

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17
18 **SECOND CAUSE FOR DENIAL OF APPLICATION**

19 **(Failure to Provide Accurate Information Regarding Control of Respondent in Application)**

20 23. Respondent's Application is subject to denial under California Code of Regulations,
21 title 5, section 71475(c)(5) in that Respondent has failed to provide the Bureau with accurate
22 information regarding who controls Respondent. The circumstances are as follows:

23 a. On or about January 17, 2006, when Respondent began offering postsecondary
24 education programs under Institution/School Code No. 74722111, Respondent identified
25 Balvinder Johal as Respondent's Institution Contract Person and Institution Representative

26 b. On its Application, Respondent indicated that there have not been any
27 substantive changes in Respondent's Organization and Management.

28

1 c. If there were any substantive changes in the control of Respondent, Respondent
2 is required to obtain prior authorization from the Bureau before making any substantives changes.
3 Substantive changes requiring prior approval include changes to ownership or control of
4 Respondent. Respondent has never requested approval from the Bureau to make or implement
5 any substantive changes to its ownership or control. Respondent has never filed a Change of
6 Business, Organization, Ownership Control with the Bureau. Such a form is required whenever a
7 licensee has a change of control. Thus, Bureau records still indicate that Balvinder Johal maintains
8 full control over Respondent.

9 d. On the Application, Respondent indicated that Bob Johal is the Institution's
10 Contact Person. The Application also identifies Baldev S. Johal as Respondent's Manager. This
11 information is inconsistent with the information Respondent previously provided to the Bureau
12 regarding Respondent's contact Person and its Institution Contact Person and Institution
13 Representative.

14 **THIRD CAUSE FOR DENIAL OF APPLICATION**

15 **(Failure to Provide the Bureau with Current and Sufficient Financial Statements)**

16 24. Respondent's Application is subject to denial under California Code of Regulations,
17 title 5, section 71745(a)(5), (a)(6), and (e); and California Code of Regulations, title 5, section
18 74115(b) in that Respondent has not provided financial statements sufficient to establish its
19 financial resources to conduct business. The circumstances are as follows:

20 a. On or about November 30, 2012, the Bureau issued a letter to Respondent
21 notifying Respondent that its Application was incomplete because Respondent did not include
22 financial statements meeting the requirements of California Code of Regulations, title 5, section
23 74115.

24 b. On or about December 20, 2012, the Bureau received financial records from
25 Respondent in support of its Application. These financial records include an Income Statement
26 "for the 3 periods ended September 30, 2012," and a Balance Sheet dated September 30, 2012.
27 Both documents were "compiled by Doshi & Associates Inc."

28

1 c. On or about April 26, 2016, the Bureau sent Respondent another letter outlining
2 various deficiencies in its Application. In this letter, the Bureau noted that the “compiled financial
3 documents received with your renewal application on November 29, 2012, for ‘three periods
4 ended September 30, 2012’, are not acceptable as they do not comply with CCR §74115. Please
5 submit new, current, reviewed or audited (as appropriate), pursuant to CCR §71475(e) financial
6 statements that comply with CCR §71745 and CCR §74115.” Respondent never submitted new,
7 current, reviewed, or audited, financial statements to the Bureau.

8 d. Respondent has not provided the Bureau with a cash flow statement, which is
9 required under California Code of Regulations, title 5, section 74115.

10 e. On or about May 9, 2016, during a review of Respondent’s Application and its
11 submissions, the Bureau found an internal financial document on Respondent’s website under the
12 link “annual report” for the year ending December 31, 2015. Specifically, the Bureau discovered
13 an Income Statement for the year ending on December 31, 2015. Based on this Income
14 Statement, Respondent is not financially solvent sufficient to comply with California Code of
15 Regulations, title 5, section 71745. Respondent is unable to meet the 30-day operating expense
16 test or the ratio test based on the following:

17 (i) The 30-day operating expense test requires that Respondent be able to pay
18 all operating expenses due within 30 days. (*See* 5 CCR §71745 (a)(5).) The Income Statement
19 for the year ending December 31, 2015, indicates that Respondent has \$530,006 in cash or assets
20 convertible to cash within 7 days; however, Respondent has \$536,482 in operating expenses.
21 Thus, Respondent has not provided financial statements to establish that it can meet its operating
22 expenses within 30 days.

23 (ii) The ratio test requires that Respondent maintain a current assets to
24 current liabilities ratio of 1.25:1.00 or greater at the end of the most recent fiscal year. (*See* 5
25 CCR §71745 (a)(6).) Respondent did not provide a balance sheet that complies with California
26 Code of Regulations, title 5, section 74115, so the Bureau is unable to confirm that Respondent
27 satisfies this test.

28 **FOURTH CAUSE FOR DENIAL OF APPLICATION**

1 **(Failure to Submit Accurate and Complete School Performance Fact Sheets to the Bureau)**

2 25. Respondent's Application is subject to denial under Education Code sections 94902,
3 94910, 94912, 94928, and 94929.5; and California Code of Regulations, title 5, section 74112, in
4 that Respondent has failed to provide the Bureau with accurate and complete School Performance
5 Fact Sheets ("SPFSs") The circumstances are as follows:

6 a. On or about May 4, 2016, the Bureau reviewed the SPFS documents
7 Respondent submitted for the 2013/2014 school year. A review of these documents revealed that
8 Respondent is offering the following unapproved programs: (1) CDL A, (2) CDL B, and (3) CDL
9 BP. The review also revealed that Respondent has not submitted SPFS documents for the
10 following educational programs: (1) Advanced Commercial Driver, Class A (48 hours); (2)
11 Bus/Truck Driver, Class B (168 hours); (3) Class A Refresher Course (40 hours); and (4)
12 Professional driver, Class A (168 hours).

13 b. The SPFS documents Respondent submitted for the 2013/2014 school year are
14 also deficient for the following reasons:

15 i) The 2013/2014 SPFSs do not have any definitions, in violation of the
16 Education Code, section 94928 and California Code of Regulations, title 5, section 74112(b).

17 ii) The 2013/2014 SPFSs document the placements rates for the CDL A,
18 CDL B, and CDL PB education programs are all on one fact sheet. Education Code section
19 94910, subdivision (b), and California Code of Regulations, title 5, section 74112(e), require that
20 Respondent document these placement rates separately on each education program fact sheet.

21 iii) The 2013/2014 SPFSs fail to include "graduates employed an average of
22 less than 32 hours per week" under the Placement Rates table for each education program
23 Respondent is approved to offer, in violation of California Code of Regulations, title 5, section
24 74112(e)(4).

25 iv) The 2013/2014 SPFSs do not have the required statement under the
26 Salary and Wage Information table regarding where the reader may obtain from the institution a
27 list of objective sources of information used to substantiate the salary disclosure, in violation of
28 Education Code section 94910, subdivision (f)(3).

1 v) The 2013/2014 SPFSs do not have the required line for a student initial
2 and date under each section of the fact sheet, in violation of Education Code section 94902.

3 vi) The 2013/2014 SPFSs do not have the required statement, "This fact sheet
4 is filed with the Bureau for Private Postsecondary Education. Regardless of any information you
5 may have relating to completion rates, placement rates, starting salaries or license exam passage
6 rates, this fact sheet contains the information as calculated pursuant to state law." Failure to
7 include this statement is a violation of Education Code section 94910, subdivision (g)(1).

8 vii) The 2013/2014 SPFSs do not have the required statement, "Any question
9 a student may have regarding this fact sheet that have not been satisfactorily answered by the
10 institution may be directed to the Bureau for Private Postsecondary Education at: P.O. Box
11 980818, West Sacramento, CA 95798-0818, www.bppe.ca.gov, P: 888-170-7598 or 916-263-
12 1897." Failure to include this statement is a violation of Education Code section 94910,
13 subdivision (g)(2).

14 viii) The 2013/2014 SPFSs do not have the required line for the student and
15 the institution to sign and date documenting that the party has reviewed the information required
16 to be disclosed in the SPFS. Failure to include these signature and date lines is a violation of
17 Education Code sections 94912 and 94902, subdivision (a)(3).

18 ix) Respondent failed to submit to the Bureau any of the substantiating data in
19 support of its 2013/2014 SPFS, in violation of California Code of Regulations, title 5, section
20 74112(h).

21 **FIFTH CAUSE FOR DENIAL OF APPLICATION**

22 **(Failure to Maintain an Institution Website)**

23 26. Respondent's application is subject to denial under Education Code sections 94897,
24 subdivision (e), and 94913, subdivision (a)(2), in that Respondent's website incorrectly indicates
25 that the Bureau accredits the institution and does not include individual fact sheets for each
26 educational program Respondent is approved to offer. The circumstances are as follows:

27 a. On or about July 16, 2016, the Bureau reviewed Respondent's website, [www.hi-
deserttruckdrivingschool.com](http://www.hi-
28 deserttruckdrivingschool.com), as part of its review of Respondent's Application. As of July 16,

1 2016, under the "About Us" section of Respondent's website, Respondent stated that it is
2 "accredited from the Bureau for Private Postsecondary Education. For more information about
3 our accreditation please go to <http://www.bppe.ca.gov/>." This statement is incorrect, since the
4 Bureau does not accredit institutions.

5 b. Respondent's website has links to its SPFSs. However, the link does not include
6 an individual fact sheet for each of the educational programs Respondent is approved to offer.
7 This is a violation of Education Code section 94913, subdivision (a)(2).

8 **SIXTH CAUSE FOR DENIAL OF APPLICATION**

9 **(Offering Educational Programs Not Approved by the Bureau)**

10 27. Respondent's application is subject to denial under Education Code section 94894,
11 subdivision (a), and California Code of Regulations, title 5, section 71660 in that Respondent is
12 offering educational programs the Bureau has not approved. The circumstances are as follows:

13 a. The 2013/2014 SPFS documents Respondent submitted to the Bureau as part of
14 its application indicated that Respondent is offering the following educational programs that the
15 Bureau has not approved: (1) CDL A, (2) CDL B, and (3) CDL BP.

16 b. Respondent maintains a course catalog on its website. The course catalog
17 indicates that Respondent is offering the following educational programs that the Bureau has not
18 approved: (1) Class A Refresher Course (24 hours), and (2) Truck Driver Class B/BP (48 hours).

19 c. Respondent has not submitted a notification of changes of courses offered to the
20 Bureau. Pursuant to California Code of Regulations, title 5, section 71660, an institution shall
21 notify the Bureau in writing within 30 days of a non-substantive change. A non-substantive
22 change includes adding an educational program related to the approved programs the institution
23 offers.

24 **PRAYER**


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

28

1 1. Denying the application of Hi-Desert Truck Driving School for a Renewal of Approval
2 to Operate and Offer Educational Programs for Non-Accredited Institutions;

3 2. Taking such other and further action as deemed necessary and proper.
4

5 DATED: 2/10/17


6 JOANNE WENZEL
7 Chief
8 Bureau for Private Postsecondary Education
9 Department of Consumer Affairs
10 State of California
11 *Complainant*

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