



**Bureau for Private Postsecondary Education**  
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**NOTICE TO COMPLY – CA 98311741 0614 (Ed. Code § 94935, 5 CCR § 75010)**

<b>Institution Name:</b>	Bakersfield Spa Institute	<b>Institution Telephone:</b>	(661) 832-9999
<b>Institution Code:</b>	98311741	<b>Administrator Name:</b>	Knute Berry
<b>Street Address:</b>	3909 Stockdale Hwy Bakersfield, CA 93309	<b>Date of Inspection:</b>	6/3/2014

**Nature and Facts of the Violation(s):**

<b>Education Code</b>	<b>Subsection and Description</b>
§94910 - Minimum Requirements for School Performance Fact Sheet.	<p>Prior to enrollment, an institution shall provide a prospective student with a School Performance Fact Sheet containing, at a minimum, the following information, as it relates to the educational program:</p> <p>(a) Completion rates, as calculated pursuant to Article 16 (commencing with Section 94928).</p> <p>(b) Placement rates for each educational program, as calculated pursuant to Article 16 (commencing with Section 94928), if the educational program is designed to lead to, or the institution makes any express or implied claim related to preparing students for, a recognized career, occupation, vocation, job, or job title.</p> <p>(c) License examination passage rates for programs leading to employment for which passage of a state licensing examination is required, as calculated pursuant to Article 16 (commencing with Section 94928).</p> <p>(d) Salary or wage information, as calculated pursuant to Article 16 (commencing with Section 94928).</p> <p>(e) If a program is too new to provide data for any of the categories listed in this subdivision, the institution shall state on its fact sheet: "This program is new. Therefore, the number of students who graduate, the number of students who are placed, or the starting salary you can earn after finishing the educational program are unknown at this time. Information regarding general salary and placement statistics may be available from government sources or from the institution, but is not equivalent to actual performance data."</p> <p>(f) All of the following:            (1) A description of the manner in which the figures described in subdivisions (a) to (d), inclusive, are calculated or a statement informing the reader of where he or she may obtain a description of the manner in which the figures described in subdivisions (a) to (d), inclusive, are calculated.</p>

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	<p>(2) A statement informing the reader of where he or she may obtain from the institution a list of the employment positions determined to be within the field for which a student received education and training for the calculation of job placement rates as required by subdivision (b).</p> <p>(3) A statement informing the reader of where he or she may obtain from the institution a list of the objective sources of information used to substantiate the salary disclosure as required by subdivision (d).</p> <p>(g) The following statements:</p> <p>(1) "This fact sheet is filed with the Bureau for Private Postsecondary Education. Regardless of any information you may have relating to completion rates, placement rates, starting salaries, or license exam passage rates, this fact sheet contains the information as calculated pursuant to state law."</p> <p>(2) "Any questions a student may have regarding this fact sheet that have not been satisfactorily answered by the institution may be directed to the Bureau for Private Postsecondary Education at (address), Sacramento, CA (ZIP Code), (Internet Web site address), (telephone and fax numbers)."</p> <p>(h) If the institution participates in federal financial aid programs, the most recent three-year cohort default rate reported by the United States Department of Education for the institution and the percentage of enrolled students receiving federal student loans.</p> <p><b>Institution failed to provide a School Performance Fact Sheet with all required information.</b></p>
<p>§94913 - Institutional Web Site Maintenance</p>	<p>(a) An institution that maintains an Internet Web site shall provide on that Internet Web site all of the following:</p> <p>(1) The school catalog.</p> <p>(2) A School Performance Fact Sheet for each educational program offered by the institution.</p> <p>(3) Student brochures offered by the institution.</p> <p>(4) A link to the bureau's Internet Web site.</p> <p>(5) The institution's most recent annual report submitted to the bureau.</p> <p>(b) An institution shall include information concerning where students may access the bureau's Internet Web site anywhere the institution identifies itself as being approved by the bureau.</p> <p><b>Institution failed to provide a school website with all required items.</b></p>
<p>§94897 - Prohibited Business Practices.</p>	<p>An institution shall not do any of the following:</p> <p>(1) Use the terms "approval," "approved," "approval to operate," or "approved to operate" without stating clearly and conspicuously that approval to operate means compliance with state standards as set forth in this chapter. If the bureau has granted an institution approval to operate, the institution may indicate that the institution is "licensed" or "licensed to operate," but may not state or imply either of the following:</p> <p>(1) The institution or its educational programs are endorsed or recommended by the state or by the bureau.</p> <p>(2) The approval to operate indicates that the institution exceeds</p>

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	<p>minimum state standards as set forth in this chapter.  <b>Institution uses the word approved without stating that approval to operate means compliance with state standards.</b></p>
§94906 - Language of Enrollment Agreement.	<p>(a) An enrollment agreement shall be written in language that is easily understood. If English is not the student's primary language, and the student is unable to understand the terms and conditions of the enrollment agreement, the student shall have the right to obtain a clear explanation of the terms and conditions and all cancellation and refund policies in his or her primary language.  (b) If the recruitment leading to enrollment was conducted in a language other than English, the enrollment agreement, disclosures, and statements shall be in that language.  <b>Institution Enrollment agreement failed to provide a statement concerning limited English speakers.</b></p>
§94909 - Minimum Requirements for School Catalog.	<p>(a) Prior to enrollment, an institution shall provide a prospective student, either in writing or electronically, with a school catalog containing, at a minimum, all of the following:  (8) A detailed description of institutional policies in the following areas:  (A) Admissions policies, including the institution's policies regarding the acceptance of credits earned at other institutions or through challenge examinations and achievement tests, admissions requirements for ability-to-benefit students, and a list describing any transfer or articulation agreements between the institution and any other college or university that provides for the transfer of credits earned in the program of instruction. If the institution has not entered into an articulation or transfer agreement with any other college or university, the institution shall disclose that fact.  (B) Cancellation, withdrawal, and refund policies, including an explanation that the student has the right to cancel the enrollment agreement and obtain a refund of charges paid through attendance at the first class session, or the seventh day after enrollment, whichever is later. The text shall also include a description of the procedures that a student is required to follow to cancel the enrollment agreement or withdraw from the institution and obtain a refund consistent with the requirements of Article 13 (commencing with Section 94919).  <b>Institution failed to provide the correct cancellation policy.  Institution failed to provide correct admissions policy concerning ATB students.</b></p>
§94911 - Minimum Requirements for Enrollment Agreement.	<p>An enrollment agreement shall include, at a minimum, all of the following:  (c) In underlined capital letters on the same page of the enrollment agreement in which the student's signature is required, the total charges for the current period of attendance, the estimated total charges for the entire educational program, and the total charges the student is obligated to pay upon enrollment.  (e) (1) A disclosure with a clear and conspicuous caption, "STUDENT'S RIGHT TO CANCEL," under which it is explained that the student has the right to cancel the enrollment agreement and obtain a refund of charges paid through attendance at the first class</p>

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session, or the seventh day after enrollment, whichever is later.

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

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

**Institution failed to provide an Enrollment agreement with the required information.**

§94910 - Minimum Requirements for School Performance Fact Sheet.

Prior to enrollment, an institution shall provide a prospective student with a School Performance Fact Sheet containing, at a minimum, the following information, as it relates to the educational program:

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

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

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

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

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

(f) All of the following:

(1) A description of the manner in which the figures described in subdivisions (a) to (d), inclusive, are calculated or a statement

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informing the reader of where he or she may obtain a description of the manner in which the figures described in subdivisions (a) to (d), inclusive, are calculated.

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

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

(g) The following statements:

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

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

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

**Institution failed to provide a School Performance Fact Sheet with all the required information.**

§94929.5. Reporting of Student Performance Data

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

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

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

(3) Salary and wage information, consisting of the total number of graduates employed in the field and the annual wages or salaries of those graduates stated in increments of five thousand dollars

	<p>(\$5,000).</p> <p>(4) If applicable, the most recent official three-year cohort default rate reported by the United States Department of Education for the institution and the percentage of enrolled students receiving federal student loans.</p> <p>(b) Nothing in this section shall limit the bureau's authority to collect information from an institution to comply with this section and ensure, by regulation and other lawful means, that the information required by this section, and the manner in which it is collected and reported, is all of the following:</p> <p>(1) Useful to students.</p> <p>(2) Useful to policymakers.</p> <p>(3) Based upon the most credible and verifiable data available.</p> <p>(4) Does not impose undue compliance burdens on an institution.</p> <p><b>Institution failed to provide a School Performance Fact Sheet with all the required information.</b></p>
§94929.7. Documentation of Performance Data	<p>(a) The information used to substantiate the rates and information calculated pursuant to Sections 94929 and 94929.5 shall do both of the following:</p> <p>(1) Be documented and maintained by the institution for five years from the date of the publication of the rates and information.</p> <p>(2) Be retained in an electronic format and made available to the bureau upon request.</p> <p>(b) An institution shall provide a list of employment positions used to determine the number of graduates employed in the field for purposes of calculating job placement rates pursuant to this article.</p> <p>(c) The bureau shall identify the specific information that an institution is required to document and maintain to substantiate rates and information pursuant to this section.</p> <p><b>Institution failed to maintain required data to substantiate the School Performance Fact Sheets.</b></p>

Code of Regulations	Subsection and Description
§71760 - Self-Monitoring Procedures.	<p>Each institution shall develop and maintain adequate procedures used by the institution to assure that it is maintained and operated in compliance with the Act and this Division.</p> <p><b>Institution failed to maintain adequate procedures to assure that it operates in compliance with the act and this division.</b></p>
§71810 - Catalog.	<p>(a) Each institution shall provide a catalog pursuant to section 94909 of the Code, which shall be updated annually. Annual updates may be made by the use of supplements or inserts accompanying the catalog. If changes in educational programs, educational services, procedures, or policies required to be included in the catalog by statute or regulation are implemented before the issuance of the annually updated catalog, those changes shall be reflected at the time they are made in supplements or inserts accompanying the catalog.</p> <p>(b) The catalog shall contain the information prescribed by Section 94909 of the Code and all of the following:</p>

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	<p>(15) Policies on the retention of student records.  <b>Institution failed to provide required policy concerning the retention of student records.</b></p>
§71800 - Enrollment Agreement.	<p>In addition to the requirements of section 94911 of the Code, an institution shall provide to each student an enrollment agreement that contains at the least the following information:</p> <p>(b) Period covered by the enrollment agreement.  <b>Institution failed to provide the period covered by the enrollment agreement.</b></p> <p>(c) Program start date and scheduled completion date.  <b>Institution failed to provide the program completion date.</b></p> <p>(d) Date by which the student must exercise his or her right to cancel or withdraw, and the refund policy, including any alternative method of calculation if approved by the Bureau pursuant to section 94921 of the Code.  <b>Institution failed to provide the date by which the student must exercise his or her right to cancel or withdraw.</b></p>
§74112 - Uniform Data - Annual Report, Performance Fact Sheet.	<p>(a) Format. The format for the Performance Fact Sheet shall be in at least 12 pt. type, in an easily readable font, with 1.15 line spacing. The Performance Fact Sheet shall contain all and only the information required or specifically permitted by section 94910 of the Code or this chapter.  <b>Institution failed to provide a School Performance fact with the Required information.</b></p> <p>(h) Documentation supporting all data reported shall be maintained by the institution for at least five years from the time included in either an Annual Report or a Performance Fact Sheet, and shall include at a minimum: student name(s), address, phone number, email address, program completed, program start and completion dates, place of employment and position, salary, hours, and a description of all attempts to contact each student. Documentation shall also include the name, email address, phone number, and position or title of the institution's representative who is primarily responsible for obtaining the students' completion, placement, licensing, and salary and wage data, the date that the information was gathered, and copies of notes, letters or emails through which the information was requested and gathered.  <b>Institution failed to maintain supporting documentation for the School Performance Fact Sheet.</b></p>
§76140 - Record-Keeping Requirements.	<p>(a) A qualifying institution shall collect and maintain records of student information to substantiate the data reported on the STRF Assessment Reporting Form and records of the students' eligibility under the Fund. Such records shall include the following for each student:</p> <ol style="list-style-type: none"> <li>(1) Student identification number,</li> <li>(2) First and last names,</li> <li>(3) Email address,</li> <li>(4) Local or mailing address,</li> <li>(5) Address at the time of enrollment,</li> </ol>

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(6) Home address,  
 (7) Date enrollment agreement signed,  
 (8) Courses and course costs,  
 (9) Amount of STRF assessment collected,  
 (10) Quarter in which the STRF assessment was remitted to the Bureau,  
 (11) Third-party payer identifying information,  
 (12) Total institutional charges charged, and  
 (13) Total institutional charges paid.  
 (b) The qualifying institution shall maintain the data required under this section in an electronic format that is readily available and open to inspection by the Bureau upon request. The institution shall make the records immediately available to a Bureau representative conducting a site inspection or, upon written request, shall provide a copy within 14 calendar days of the request. All records shall be provided to the Bureau in an intelligible and orderly manner and in an electronic format.  
**Institution failed to provide student information to substantiate the data reported on the STRF and failed to provide it electronically.**

Only minor violations are listed on the Notice to Comply.

Additional violations may have been identified that will be forwarded to the Enforcement Unit for further review.

Inspector's Name	Greg Seib
Inspector's Signature	<i>WKB</i>
Institution Administrator Name/Title:	Knute Berry/Administrator
Institution Administrator's Signature:	<i>KB</i>

Education Code can be located at: [http://www.bppe.ca.gov/lawsregs/ppe\\_act.shtml](http://www.bppe.ca.gov/lawsregs/ppe_act.shtml)  
 Code of Regulations can be located at: <http://www.bppe.ca.gov/lawsregs/regs.shtml>

RETURN THIS FORM WITHIN THE SPECIFIED TIME FRAME WITH EITHER: 1) VERIFICATION OF COMPLIANCE OR 2) A NOTICE OF DISAGREEMENT

### IMPORTANT COMPLIANCE NOTICE

California Education Code §94935 and California Code of Regulations §75010 provide that the Bureau for Private Postsecondary Education (Bureau) shall issue a Notice to Comply for minor violations detected during a compliance inspection by the Bureau.

By no later than 30 days from the date of the inspection, you must either: 1) Remedy the noncompliance item(s), sign the below declaration and submit this form to the Bureau, along with documentation describing how compliance was achieved; or 2) File with the Bureau a written notice of disagreement, specifying the minor violation(s) described in the Notice to Comply with which you disagree, and appealing it by requesting an informal office conference. If a written notice of disagreement is not timely filed with the Bureau, the right to appeal is deemed to have been waived.

Failure to timely remedy the noncompliance item(s) or file a written request for an informal office conference may result in the Bureau taking administrative enforcement action.

### DECLARATION

Attached to this document is a list describing how compliance was achieved for each violation and supporting documentation. I declare under penalty of perjury that all violations identified in this Notice to Comply are corrected as described in the attachment.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name and Title

**THIS DECLARATION OR A NOTICE OF DISAGREEMENT MUST BE SUBMITTED TO THE BUREAU BY 7/3/2014**

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