

1 KAMALA D. HARRIS
Attorney General of California
2 KENT D. HARRIS
Supervising Deputy Attorney General
3 JOSHUA B. EISENBERG
Deputy Attorney General
4 State Bar No. 279323
1300 I Street, Suite 125
5 P.O. Box 944255
Sacramento, CA 94244-2550
6 Telephone: (916) 327-1466
Facsimile: (916) 327-8643
7 E-mail: Joshua.Eisenberg@doj.ca.gov
Attorneys for Complainant

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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. 1001745

13 **HASACA NATIONAL UNIVERSITY**

STATEMENT OF ISSUES

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

16 Respondent.
17

18
19 Complainant alleges:

20 **PARTIES**

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

24 2. On or about January 17, 2012, the Bureau for Private Postsecondary Education
25 received an Application for Approval to Operate and Offer Educational Programs for Non-
26 Accredited Institutions from Hasaca National University (Respondent). On or about January 17,
27 2012, Victor Bao certified under penalty of perjury to the truthfulness of all statements, answers,
28 and representations in the application. The Bureau denied the application on March 9, 2016.

1 **STATUTORY PROVISIONS**

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

6 4. Section 94887 of the Education Code states, in pertinent part:

7 "An approval to operate shall be granted only after an applicant has presented sufficient
8 evidence to the bureau, and the bureau has independently verified the information provided by the
9 applicant through site visits or other methods deemed appropriate by the bureau, that the applicant
10 has the capacity to satisfy the minimum operating standards. The bureau shall deny an application
11 for an approval to operate if the application does not satisfy those standards."

12 5. Section 94911 of the Education Code states, in pertinent part:

13 "An enrollment agreement shall include, at a minimum, all of the following:

14 ...

15 (g) A statement specifying that, if the student is eligible for a loan guaranteed by the federal
16 or state government and the student defaults on the loan, both of the following may occur:

17 (1) The federal or state government or a loan guarantee agency may take action against the
18 student, including applying any income tax refund to which the person is entitled to reduce the
19 balance owed on the loan.

20 (2) The student may not be eligible for any other federal student financial aid at another
21 institution or other government assistance until the loan is repaid.

22 ..."

23 6. Section 94909 of the Education Code states, in pertinent part:

24 "(a) Except as provided in subdivision (d), prior to enrollment, an institution shall provide a
25 prospective student, either in writing or electronically, with a school catalog containing, at a
26 minimum, all of the following:

27 ...

28 ///

1 (2) Except as specified in Article 2 (commencing with Section 94802), a statement that the
2 institution is a private institution and that it is approved to operate by the bureau

3 ...

4 (5) A description of the programs offered and a description of the instruction provided in
5 each of the courses offered by the institution, the requirements for completion of each program,
6 including required courses, any final tests or examinations, any required internships or
7 externships, and the total number of credit hours, clock hours, or other increments required for
8 completion

9 ...

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

16 ...

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

20 ...”

21 REGULATIONS

22 7. Title 5 of the California Code of Regulations, section 71220, (5 CCR § 71220), states,
23 in pertinent part:

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

27 (a) A description of the educational program.

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

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

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

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

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

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

13 8. 5 CCR § 71710 states, in pertinent part:

14 “In order to meet its mission and objectives, the educational program defined in section
15 94837 of the Code shall be comprised of a curriculum that includes:

16 “... ”

17 (b) Subject areas and courses or modules that are presented in a logically organized
18 manner or sequence to students;

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

22 (1) A short, descriptive title of the educational program;

23 (2) A statement of educational objectives;

24 (3) Length of the educational program;

25 (4) Sequence and frequency of lessons or class sessions;

26 (5) Complete citations of textbooks and other required written materials;

27 (6) Sequential and detailed outline of subject matter to be addressed or a list of skills to be
28 learned and how those skills are to be measured;

1 (7) Instructional mode or methods.

2 ...”

3 9. 5 CCR § 71715 states, in pertinent part:

4 “(a) Instruction shall be the central focus of the resources and services of the institution.

5 (b) The institution shall document that the instruction offered leads to the achievement of
6 the learning objectives of each course.

7 (c) Direct instruction requires the physical presence of one or more students and one or
8 more faculty members at the same location. Direct instruction includes instruction presented in a
9 classroom, seminar, workshop, lecture, colloquium, laboratory, tutorial, or other physical learning
10 settings consistent with the mission, purposes, and objectives of the institution.

11 (d) Distance education as defined in section 94834 of the Code, does not require the
12 physical presence of students and faculty at the same location but provides for interaction between
13 students and faculty by such means as telecommunication, correspondence, electronic and
14 computer augmented educational services, postal service, and facsimile transmission. In addition
15 to the other requirements of this chapter and the Act, an institution offering distance education
16 shall:

17 (1) Ensure that the educational program offered through distance education is appropriate
18 for delivery through distance education methods;

19 (2) Assess each student, prior to admission, in order to determine whether each student has
20 the skills and competencies to succeed in a distance education environment;

21 (3) Ensure that the materials and programs are current, well organized, designed by faculty
22 competent in distance education techniques and delivered using readily available, reliable
23 technology;

24 (4) Provide for meaningful interaction with faculty who are qualified to teach using distance
25 education methods;

26 (5) Maintain clear standards for satisfactory academic progress;

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1 (6) Timely complete student evaluations of learning outcomes by duly qualified faculty,
2 which are appropriate for use with the distance education methods used, and evaluated by duly
3 qualified faculty.

4 (7) Employ a sufficient number of faculty to assure that (A) the institution's response to, or
5 evaluation of, each student lesson is returned to the student within 10 days after the lesson is
6 received by the institution; and (B) the institution's response to, or evaluation of, each student
7 project or dissertation is returned to the student within the time disclosed in the catalog; and

8 (8) Shall maintain a record of the dates on which lessons, projects, and dissertations were
9 received and responses were returned to each student.”

10 10. 5 CCR § 71865 states, in pertinent part:

11 “... ”

12 (c)(2)(A) Each Doctor of Philosophy program shall include a minimum of two formal
13 evaluations of the student by a doctoral committee. The doctoral committee shall be composed of
14 at least three members of the institution's own faculty who meet the qualifications in subdivision
15 (c)(3).

16 ...”

17 11. 5 CCR § 71720 states, in pertinent part:

18 “(a) An Educational Program Leading to a Degree.

19 (1) An institution offering an educational program that leads to a degree shall employ duly
20 qualified faculty sufficient in number to provide the instruction, student advisement, and learning
21 outcomes evaluation necessary for the institution to document its achievement of its stated
22 mission and objectives, and for students to achieve the specific learning objectives of each course
23 offered;

24 ... ”

25 (4) The faculty shall have sufficient expertise to support the institution's awarding of a
26 degree identifying a specialty or major field of emphasis, demonstrated by, at a minimum:

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1 (A) That the person possesses one of the following:

2 1. a degree from: an institution approved by the Bureau or previously approved by a
3 predecessor agency of the Bureau; or an accredited institution in the United States or Canada; or
4 other state approved institution that documents that the institution at which the faculty member
5 earned his or her degree is equivalent to an institution that is approved by the Bureau; or an
6 institution outside the United States or Canada and in addition provides a comprehensive
7 evaluation of the degree performed by a foreign credential evaluation service that is a member of
8 the National Association of Credential Evaluation Services(NACES).

9 2. a credential generally recognized in the field of instruction.

10 (B) The degree, professional license, or credential possessed by the person shall be at least
11 equivalent to the level of instruction being taught or evaluated;

12 (5) The institution's faculty as a whole shall possess a diverse educational background
13 which shall be demonstrated in part by earned degrees from a variety of colleges and universities
14 or by credentials generally recognized in the field of instruction;

15 ...

16 (9) The institution shall maintain records documenting that each faculty member is duly
17 qualified and was qualified to perform the duties to which the faculty member was assigned,
18 including providing instruction, evaluating learning outcomes, evaluating graduate dissertations,
19 theses, and student projects, and participating on doctoral committees.

20 ...”

21 12. 5 CCR § 71810 states, in pertinent part:

22 “ ...

23 (b) The catalog shall contain the information prescribed by Section 94909 of the Code and
24 all of the following:

25 (1) The specific beginning and ending dates defining the time period covered by the catalog;

26 ...

27 (4) Language proficiency information, including:

28 ///

1 (A) the level of English language proficiency required of students and the kind of
2 documentation of proficiency, such as the Test of English as a Foreign Language (TOEFL), that
3 will be accepted;

4 ...”

5 13. 5 CCR § 71740 states, in pertinent part:

6 “ ...

7 (d) An institution that depends for library and other learning resources primarily on other
8 institutions' collections and resources not in its possession shall do all of the following:

9 (1) Describe those library and other learning resources, in the application and catalog.

10 (2) Provide students and faculty with access to the regular services of a professional
11 librarian or information specialist experienced in the electronic retrieval of information, who shall
12 provide support for faculty in curriculum matters and actively serve as a resource guide for both
13 graduate and undergraduate students.

14 (3) Assure that students have access to the library collections and resources of another
15 institution, organization, or library.

16 ...”

17 **BACKGROUND**

18 (Failure to demonstrate capacity to satisfy minimum operating standards)

19 14. Respondent's application for approval to operate is subject to denial under section
20 94887 of the California Education Code in that Respondent did not present sufficient evidence to
21 the Bureau that Respondent has the capacity to satisfy the minimum operating standards.

22 15. Respondent's "Application for Approval to Operate for an Institution Non
23 Accredited" was received on January 17, 2012, with the application fee. The Bureau issued a
24 deficiency letter on March 22, 2012. On April 2, 2012, the Bureau received a letter requesting
25 additional time to submit a response. On October 25, 2012, the Bureau received a response to the
26 deficiency letter. On January 17, 2013, the Bureau sent a second deficiency letter to Respondent.
27 On October 18, 2013, the Bureau received a response from Respondent to the second deficiency
28 letter. On October 31, 2013, the Bureau receive an additional response from Respondent to the

1 second deficiency letter. On January 15, 2014, a third deficiency letter was sent to Respondent.
2 On July 9, 2014, the Bureau received a response from Respondent to the third deficiency letter.
3 On August 15, August 19, September 2, and October 7, 2014, the Bureau received additional
4 response from Respondent to the third deficiency letter. On May 7, 2015, the Bureau sent a
5 fourth deficiency letter to Respondent. On November 4, 2015, the Bureau received a response
6 from Respondent to the fourth deficiency letter. On December 23, 2015, the Bureau sent a fifth
7 deficiency letter via e-mail to Respondent. On January 15, 2016, the Bureau received a response
8 from Respondent to the fifth deficiency letter.

9 16. On March 9, 2016, the Bureau sent Respondent a "Notice of Denial" letter stating that
10 the application is subject to denial under Code section 94887 for the following reasons:

11 **FIRST CAUSE FOR DENIAL**

12 (Student Agreements)

13 a. The institution failed to provide the required contextual statement regarding
14 students eligible for a loan guaranteed by the federal or state government, in violation of
15 Code section 94911(g).

16 **SECOND CAUSE FOR DENIAL**

17 (Educational Program)

18 b. The institution failed to provide consistent program descriptions, such that the
19 Bureau is unable to determine the actual courses of study for the PhD program, in violation
20 of 5 CCR § 71220.

21 c. The institution failed to provide the educational program course syllabi for twelve
22 proposed courses, in violation of 5 CCR § 71220 (b), (c) and § 71715(b).

23 d. The institution failed to comport the colloquium syllabus with the minimum
24 educational requirements for the award of a graduate degree, in violation of 5 CCR §
25 71865(c)(2)(a).

26 e. The institution failed to provide a curriculum that includes a course outline with
27 complete citation of textbooks and other required written materials, in violation of 5 CCR
28 §71710(c)(5).

1 **THIRD CAUSE FOR DENIAL**

2 (Faculty)

3 f. The institution failed to provide the information necessary for the Bureau to
4 determine if faculty are duly qualified to instruct the courses outlined in the PhD Doctor of
5 Philosophy Interdisciplinary Studies educational program, in violation of 5 CCR
6 §71720(a)(4)(A), (4)(B), and (a)(5).

7 g. The institution failed to provide the necessary paperwork for all faculty members,
8 in violation of 5 CCR §71720(a)(1), (a)(4), (a)(4)(A)(1-2), and (a)(9).

9 **FOURTH CAUSE FOR DENIAL**

10 (Catalog)

11 h. The institution failed to provide a catalog with specific beginning and ending dates
12 defining the time period covered by the catalog, in violation of 5 CCR § 71810(b)(1).

13 i. The institution failed to provide a catalog indicating that it is a private institution, in
14 violation of Code section 94909(a)(2).

15 j. The institution failed to provide a catalog consistent with the colloquium course
16 description with respect to the amount of credits to be offered for a particular course, in
17 violation of Code section 94909(a)(5).

18 k. The institution failed to provide sufficiently clear information in its catalog
19 regarding the TOEFL score required for admission, in violation of 5 CCR § 71810(b)(4)(A).

20 l. The institution failed to address Code section 94909(a)(16)(B) in its catalog.

21 m. The institution failed to provide sufficiently clear information in its catalog
22 regarding the actual number of credits required to graduate, in violation of Code section
23 94909(a)(5).

24 n. The institution failed to provide sufficiently clear information in its catalog
25 regarding the exact mode of instruction the institution desires to offer its potential students,
26 in violation of 5 CCR §71715.

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1 **FIFTH CAUSE FOR DENIAL**

2 (Library and Other Learning Resources)

3 o. The institution failed to provide sufficiently clear information in its catalog
4 regarding its ability to provide various types of learning resources, procedures to access the
5 electronic library, and the offering of regular services of a professional librarian or
6 information specialist for its potential students, in violation of 5 CCR §71740(d)(1-3).

7 **PRAYER**

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

- 11 1. Denying the application of Hasaca National University for Approval to Operate an
- 12 Institution Non Accredited;
- 13 2. Taking such other and further action as deemed necessary and proper.

14
15 DATED: 8/17/14

16 
 17 JOANNE WENZEL
 18 Chief
 19 Bureau for Private Postsecondary Education
 20 Department of Consumer Affairs
 21 State of California
 22 *Complainant*

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