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8	BEFOR	<b>Е ТНЕ</b>
9	DEPARTMENT OF CO FOR THE BUREAU FOR PRIVATE	ONSUMER AFFAIRS
10	STATE OF C.	
11		· · · · · · · · · · · · · · · · · · ·
12	In the Matter of the Statement of Issues Against:	Case No. 1001710
13	TRAINING INSTITUTE FOR ADDICTION COUNSELORS	STATEMENT OF ISSUES
14		
15 16	Renewal of Approval to Operate and Offer Educational Program for Non-Accredited Institutions Applicant	
17	Institution Code: 1919431	
18	Respondent.	
19		
20	Complainant alleges:	
21	PART	THES
22		nt") brings this Statement of Issues solely in his
23	official capacity as the Chief of the Bureau for Pri	•
	·	vate Postsecondary Education, Department of
24	Consumer Affairs.	
25		ureau for Private Postsecondary Education
26	received an Application for Renewal of Approval	to Operate and Offer Educational Programs for
27	Non-Accredited Institutions ("application") from	Training Institute for Addiction Counselors
28	("Respondent"). On or about February 13, 2014, 7	Ferri Melvin, Respondent's Chief Executive
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Officer, certified under penalty of perjury to the truthfulness of all statements, answers, and representations in the application. The Bureau denied the application on or about March 2, 2016.

#### **JURISDICTION**

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

#### **STATUTES**

- Code section 94891 states:<sup>1</sup>
- (a) The bureau shall adopt by regulation the process and procedures whereby an institution may obtain a renewal of an approval to operate.
- (b) To be granted a renewal of an approval to operate, the institution shall demonstrate its continued capacity to meet the minimum operating standards.
- (c) (1) An institution that is denied renewal of an approval to operate may file an appeal in accordance with the procedures established by the bureau pursuant to Section 94888.
- (2) An institution that has filed an appeal of a denial of a renewal application may continue to operate during the appeal process, but must disclose in a written statement, approved by the bureau, to all current and prospective students, that the institution's application for renewal of approval to operate was denied by the bureau because the bureau determined the application did not satisfy the requirements to operate in California, that the institution is appealing the bureau's decision, and that the loss of the appeal may result in the institution's closure.
- (3) If the bureau determines that the continued operation of the institution during the appeal process poses a significant risk of harm to students, the bureau shall make an emergency decision pursuant to its authority provided in Section 94938.

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<sup>&</sup>lt;sup>1</sup> The California Private Postsecondary Education Act of 2009 ("Act") was amended by 2014 California Senate Bill 1247. The bill took effect on January 1, 2015 and extended the operation of the Act by two years. It also made certain substantive and technical changes. The Act was amended again by 2016 California Senate Bill 1192. The bill took effect on January 1, 2017. It extended the Act by four years and made certain substantive and technical changes. After Respondent first submitted its application, Code section 94891 was amended in 2014 to include subdivision (d).

#### 5. Code section 94910 states:

Except as provided in subdivision (d) of Section 94909 and Section 94910.5, 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 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

9. California Code of Regulations, title 5, section 71475 states, in pertinent part:

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

10. California Code of Regulations, title 5, section 71485 states:

Failure of an institution to have made current payments of the assessments to the Student Tuition Recovery Fund as required by chapter 7 of this Division, and annual fees as required by chapter 5 of this Division shall render the institution ineligible for renewal.

- 11. California Code of Regulations, title 5, section 71745 states:
- (a) The institution shall document that it has at all times sufficient assets and financial resources to do all of the following:
- (1) Provide all of the educational programs that the institution represented it would provide.
- (2) Ensure that all students admitted to its educational programs have a reasonable opportunity to complete the programs and obtain their degrees or diplomas.
  - (3) Maintain the minimum standards required by the Act and this chapter.
  - (4) Pay timely refunds as required by Article 13 of the Act.
  - (5) Pay all operating expenses due within 30 days.
- (6) Maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal year when using generally accepted accounting principles, or for an institution participating in Title IV of the federal Higher Education Act of 1965, meet the composite score requirements of the U.S. Department of Education. For the purposes of this section, current assets does not include: intangible assets, including goodwill, going concern value, organization expense, startup costs, long-term prepayment of deferred charges, and non-returnable deposits, or state or federal grant or loan funds that are not the property of the institution but are held for future disbursement for the benefit of students. Uncarned tuition shall be accounted for in accordance with general accepted accounting principles.
  - (b) At an institution's request, the Bureau may consider the financial resources

the Performance Fact Sheet pertains. The Performance Fact Sheet shall contain all and only the information required or specifically permitted by sections 94910 and 94929.5 of the Code or this chapter. A separate Performance Fact Sheet shall be

- (b) An institution offering educational programs that are too new to provide the required two years of data shall include the date the program began as well as the statement required by section 94910(e) of the Code. The Performance Fact Sheet shall also disclose the estimated date of availability for two full years of data for those
- (c) Institutions approved under section 94874.8 of the Code, which do not include all required information per section 94874.8(a)(4), shall include on the Performance Fact Sheet the date of approval to operate and when the required data
  - (d) In addition to the definitions contained in section 94928 of the Code:
- (1) "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.
- (2) "Number of On-time Graduates" means the number of students who completed the program within 100% of the published program length within the
- (A)(i) The graduate is employed in a job classification under the United States Department of Labor's Standard Occupational Classification codes, using the Detailed Occupation (six-digit) level, for which the institution has identified in its catalog and in its employment positions list required by section 94910(f)(2) of the
- (ii) The graduate is employed in a single position or concurrent aggregated positions totaling at least 30 hours per week for 5 weeks (35 calendar days), or totaling at least 20 hours per week for 5 weeks (35 calendar days) with a statement signed by the graduate stating that he or she chose to seek part-time employment
- (B) The graduate is employed by the same employer that employed the graduate before enrollment, and any of the following conditions are met:
- (i) the graduate is employed in an occupation with a different Detailed Occupation (six-digit) level Standard Occupational Classification code than applies to the position in which the graduate was employed before enrollment; or
- (ii) the employer or the graduate provides a statement to the effect that the employment after graduation was the result of a promotion with increased pay, due
- (iii) the employer or the graduate provides a statement to the effect that the degree or the completed program was required as a condition of continued

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

### Federal Student Loan Debt at (Name of Institution)

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

<sup>1</sup> The percentage of students who defaulted on their federal student loans is called the Cohort Default Rate (CDR). It shows the percentage of this school's students who were more than 270 days (about 9 months) behind on their federal student loans within three years of when the first payment was due. This is the most recent CDR reported by the U.S. Department of Education.

Student's Initials:	Date:	
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# Initial only after you have had sufficient time to read and understand the information.

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

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

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.

Date:	
	Date:

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

(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)

Calendar Year	Number of Students Who Began the Program	Students Available for Graduation	Number of On-time Graduates	On-time Completion Rate
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)

Calendar Year	Number of Students Who Began the Program	Students Available for Graduation	150% Graduates	150% Completion Rate
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

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Student's Initials:	Dotai
otudent'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)

Calendar Year	Number of Students Who Began the Program	Number of Graduates	Graduates Available for Employment	Graduates Employed in the Field	Placement Rate % Employed in the Field
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		Total Graduates Employed in the Field
20XX	15	40	55
20XY	5	15	20

		Single Position vs. Con-	current Aggregate	d Posi	tions
		Graduates Employed in the field in a single position	Graduates Employ the field in concu- aggregated posit	rrent	Total Graduates Employed in the Field
	20XX	52	3		55
	20XY	19	. 1		20
		Self-Employed/Free	lance Positions	. '	
		Graduates Employed who or working fre	are self-employed eelance	Tota	l Graduates Employed in the Field
	20XX	3			-55
20XX       3       55         20XY       5       20					20
		Institutional En	ployment		
		Graduates Employed in the employed by the institution owned by the institution, or shares ownership with the shares owners	on, an employer an employer who	Total	Graduates Employed in the Field
	20XX	15			55
	20XY	5			20
		ul only after you have had suf	Date: ficient time to read	and i	understand the
	initialed by	The following self-employmer students entering any program obtain in this type of work:	nt/freelance worker s in which the majo	discl	osure shall be f graduates who
	This <sub>l</sub>	program may result in freelance	or self-employmen	t.	

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

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- 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:
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# 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."

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

For licensing examinations that are not 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)

## Name of Educational Program (Program Length)

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
2/1/20XX	3/15/20XX	277	80	40	40	50%
6/1/20XX	7/15/20XX	277	100	75	25	75%
10/1/20XX	11/15/20XX	277	82	68	14	76%
2/1/20XY	3/20/20XX	304	80	40	40	50%
6/1/20XY	7/19/20XX	304	100	70	30	70%
10/1/20XY	11/19/20XX	304	92	62	30	67%

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

Student's Initials:	. I	Date:

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

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)

## Name of Educational Program (Program Length)

Calendar Year	Number of Graduates in Calendar Year	Number of Graduates Taking Exam	Number Who Who [sic] Passed First Available Exam	Number Who Failed First Available Exam	Passage Rate
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.

Student's Initials:

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)

Annual Salary and Wages Reported for Graduates Employed in the Field							
Calendar Year	Graduates Available for Employment	Graduates Employed in the Field	\$15,000— \$20,000	\$20,001— \$25,000	\$25,001- \$30,000	\$30,001- \$35,000	No Salary Information Reported
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.)

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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.

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reviewed by a certified public accountant. Instead, Respondent provided an unaudited cash-basis balance sheet and a profit-and-loss statement covering the period of October 2012 through September 2013.

- 2) The 2012 annual report was incomplete.
- 20. Second, Respondent did not submit a complete 2012 annual report. The annual report was missing three items: 1) a 2012 School Performance Fact Sheet ("SPFS"); 2) a 2012 school catalog; and 3) compiled financial statements.
  - 3) A Student Tuition Recovery Fund Assessment Reporting Form was missing.
- 21. Third, Respondent did not submit a Student Tuition Recovery Fund Assessment Reporting Form for the second quarter of 2011.
  - C. In March 2014, Respondent promised to complete the application.
- 22. On or about March 10, 2014, the Bureau received a letter from Melvin. Melvin stated that he made an appointment with a certified public accountant on April 21, 2014, and that the institution intended to submit audited financial statements.
  - D. In June 2014, Respondent supplemented the application.
- 23. On or about June 4, 2014, the Bureau received a letter from Melvin, dated May 28, 2014. Included with Melvin's letter were an SPFS for years 2011 and 2012; a 2012 school catalog; and compiled financial statements for the year ended September 30, 2013.
- 24. The financial statements were audited by a certified public accountant, but they were not current.
- 25. To be current, financial statements 1) must be completed 1) no sooner than 120 days before they are submitted to the Bureau; 2) they must cover at least the most recent complete fiscal year; and 3) they must include five months of the current fiscal year if they are submitted more than eight months after the close of the most recent complete fiscal year.
- 26. The financial statements were not current because they were submitted more than eight months after the close of the most recent fiscal year (September 2013), and they did not include five months of the current fiscal year, as was required.

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## SECOND CAUSE FOR DENIAL OF APPLICATION

### (Failure to Submit Reviewed Financial Statements)

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34. Respondent's application is subject to denial under Code section 94891, subdivision (b), in conjunction with California Code of Regulations, title 5, sections 71475, subdivision (e), and 74115, subdivision (b)(1), because Respondent submitted financial statements that were not reviewed by an independent certified public accountant. In particular, Respondent submitted internal financial documents for year ended September 30, 2014. These statements were not reviewed by an independent certified public accountant. Complainant realleges paragraphs 17 through 32.

## THIRD CAUSE FOR DENIAL OF APPLICATION

### (Failure to Demonstrate Sufficient Assets and Financial Resources)

35. Respondent's application is subject to denial under California Code of Regulations, title 5, section 71745, subdivision (a)(5), because Respondent was unable to document that at all times it had sufficient assets and financial resources to pay all of its operating expenses due within 30 days. Complainant realleges paragraphs 17 through 34.

## FOURTH CAUSE FOR DENIAL OF APPLICATION

#### (Failure to Meet Ratio of Assets to Liabilities)

36. Respondent's application is subject to denial under California Code of Regulations, title 5, section 71745, subdivision (a)(6), because Respondent was unable to document that at all times it had sufficient assets and financial resources to maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal year. In particular, Respondent's ratio was 0.09 based on the audited financial statements submitted with Respondent's application. Complainant realleges paragraphs 17 through 35.

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#### FIFTH CAUSE FOR DENIAL OF APPLICATION

### (Failure to Pay December 2015 Annual Fee and Delinquent Fee)

37. Respondent's application is subject to denial under Code section 94930.5, subdivision (d), in conjunction with California Code of Regulations, title 5, sections 74000 and 74006, because Respondent failed to submit the December 2015 Annual Fee and delinquent fee. Failure to pay the annual fee renders Respondent ineligible for renewal pursuant to California Code of Regulations, title 5, section 71485. Complainant realleges paragraphs 17 through 36.

## SIXTH CAUSE FOR DENIAL OF APPLICATION

#### (Failure to Maintain Current Course Catalog on Website)

38. Respondent's application is subject to denial under Code section 94913, in conjunction with California Code of Regulations, title 5, section 71810, subdivision (a), because Respondent failed to maintain a current course catalog on its website. In particular, at the time of Respondent's application, it maintained on its website a course catalog that stated the catalog was valid from January 2014 through December 2014. The catalog was not current because it did not specify a beginning date and ending date; instead, it generically listed the beginning and ending months without specifying the relevant day for each month. Following the denial of Respondent's application, Respondent changed the course catalog's beginning and ending dates to January 1, 2014 and December 31, 2014, respectively. A review of Respondent's website on January 30, 2017 revealed that Respondent is still not complying with section 71810, as its course catalog for school year 2016–2017 is not current. The course catalog does specify a beginning and ending date. Complainant realleges paragraphs 17 through 37.

#### SEVENTH CAUSE FOR DENIAL OF APPLICATION

#### (Failure to Submit Substantiating Data)

39. Respondent's application is subject to denial under California Code of Regulations, title 5, section 74112, subdivision (h), because Respondent did not submit substantiating data in support of the SPFS for calendar years 2013 and 2014. Complainant realleges paragraphs 17 through 38.

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(Failure to Provide Accurate Placement Rates)

Respondent's application is subject to denial under Code sections 94910, subdivision (b), and 94929.5, subdivision (a)(1), in conjunction with California Code of Regulations, title 5, section 74112, subdivisions (e) and (i), because Respondent failed to provide prospective students with, and failed to annually report to the Bureau, an accurate job placement rate. In particular, Respondent's SPFS for calendar years 2013 and 2014 indicates that 26 people graduated, 14 were available for employment, and 13 were employed in the field, leading to a reported placement rate of 92 percent. Based on Respondent's own figures, there were only 14 graduates, not 26. Complainant realleges paragraphs 17 through 39.

# NINTH CAUSE FOR DENIAL OF APPLICATION

(Failure to Correctly Calculate 2014 Placement Rate)

Respondent's application is subject to denial under California Code of Regulations, title 5, section 74112, subdivisions (e) and (l), because Respondent reported that in 2014 its placement rate was four percent when in fact, based on Respondent's own figures, it was onehundred percent. Pursuant to California Code of Regulations, title 5, section 74112, subdivision (I), the placement rate is calculated by dividing the number of graduates gainfully employed in the field by the number of graduates available for employment. Complainant realleges paragraphs 17 through 40.

# TENTH CAUSE FOR DENIAL OF APPLICATION

(Failure to Disclose Substantiating Data for Salary Disclosure)

Respondent's application is subject to denial under Code section 94910, subdivision (f)(3), because Respondent failed to disclose in its SPFS for calendar years 2013 and 2014 a statement informing readers where they may obtain from Respondent 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. Complainant realleges paragraphs 17 through 41.

## **PRAYER**

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

- 1. Denying the application of Training Institute for Addiction Counselors for a Renewal of Approval to Operate and Offer Educational Program for Non-Accredited Institutions; and,
  - 2. Taking such other and further action as deemed necessary and proper.

DATED:	12	//	5-	/1	7	
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DR. MICHAEL MARION, JR.

Bureau Chief

Bureau for Private Postsecondary Education

Department of Consumer Affairs

State of California Complainant

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