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

In the Matter of the Statement of Issues Against: **DOABA TRUCKING SCHOOL, RASHPAL SINGH DHINDSA, OWNER,** **Renewal of Approval to Operate and Offer Educational Programs for Non-Accredited Institutions Applicant** **School Code: 3303611** Respondent.	Case No. 1001520 **STATEMENT OF ISSUES**

Complainant alleges:

PARTIES

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

2. On or about August 22, 2011, the Bureau for Private Postsecondary Education received an application for Renewal of Approval to Operate and Offer Educational Programs for Non-Accredited Institutions from Rashpal Singh Dhindsa, Owner, Doaba Trucking School (Respondent). Rashpal Singh Dhindsa certified under penalty of perjury to the truthfulness of all

statements, answers, and representations in the application. The Bureau denied the application on February 16, 2016. On March 22, 2016, the Bureau issued an Amended Notice of Denial of Application for Renewal of Approval to Operate.

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, under the authority of the following laws. All section references are to the Education Code unless otherwise indicated.

JURISDICTION

4. This Statement of Issues is brought before the Director of the Department of Consumer Affairs (Director) for the Bureau.

5. Education Code Section 94891 states in pertinent part:

. . .

(b) To be granted a renewal of an approval to operate, the institution shall demonstrate its continued capacity to meet the minimum operating standards.

. . . .

6. Education Code Section 94887 states:

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

STATUTORY PROVISIONS

7. Business and Professions Code of 22 defines the term "board" to include "bureau."

8. Education Code section 94885[1] states:

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[1] California Private Postsecondary Education Act of 2009, Ed. Code §§ 94800 et seq.

(a) The bureau shall adopt by regulation minimum operating standards for an institution that shall reasonably ensure that all of the following occur:

(1) The content of each educational program can achieve its stated objective.

(2) The institution maintains specific written standards for student admissions for each educational program and those standards are related to the particular educational program.

(3) The facilities, instructional equipment, and materials are sufficient to enable students to achieve the educational program's goals.

(4) The institution maintains a withdrawal policy and provides refunds.

(5) The directors, administrators, and faculty are properly qualified.

(6) The institution is financially sound and capable of fulfilling its commitments to students.

(7) That, upon satisfactory completion of an educational program, the institution gives students a document signifying the degree or diploma awarded.

(8) Adequate records and standard transcripts are maintained and are available to students.

(9) The institution is maintained and operated in compliance with this chapter and all other applicable ordinances and laws.

(b) Except as provided in Section 94855.1, an institution offering a degree must satisfy one of the following requirements:

(i) Accreditation by an accrediting agency recognized by the United States Department of Education, with the scope of that accreditation covering the offering of at least one degree program by the institution.

(ii) An accreditation plan, approved by the bureau, for the institution to become fully accredited within five years of the bureau's issuance of a provisional approval to operate to the institution. The provisional approval to operate to an unaccredited degree-offering institution shall be in compliance with Section 94885.5.

9. Section 94911 of the Education Code states in pertinent part:

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

. . . .

"(b) A schedule of total charges, including a list of any charges that are nonrefundable and the student's obligations to the Student Tuition Recovery Fund, clearly identified as nonrefundable charges.

. . . .

6. Education Code Section 94920 states in pertinent part:

. . . .

"(b) Institutions shall refund 100 percent of the amount paid for institutional charges, less a reasonable deposit or application fee not to exceed two hundred fifty dollars ($250), if notice of cancellation is made through attendance at the first class session, or the seventh day after enrollment, whichever is later.

. . . .

"(d) The institution shall have a refund policy for the return of unearned institutional charges if the student cancels an enrollment agreement or withdraws during a period of attendance. The refund policy for students who have completed 60 percent or less of the period of attendance shall be a pro rata refund.

"(e) The institution shall pay or credit refunds within 45 days of a student's cancellation or withdrawal."

STATUTORY AND REGULATORY PROVISIONS

10. Title 5, CCR, section 71475 states in 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.

. . .

"(kk) An incomplete application filed under this section will render the institution ineligible for renewal."

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11. Title 5, CCR, section 71700 states:

"The Bureau may request that an institution document compliance with the standards set forth in the Act and this Division to obtain and maintain an approval to operate."

12. Title 5, CCR, section 71800 states in part:

"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:

The name and address of the institution and the addresses where instruction will be provided.

. . . .

"(e) Itemization of all institutional charges and fees including, as applicable:

. . . .

"(2) registration fee (non-refundable);

. . . .

"(11) Student Tuition Recovery Fund fee (non-refundable);

. . . .

13. Title 5, CCR, section 74115 states in pertinent part:

. . . .

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

FIRST CAUSE FOR DENIAL

(Deficiencies Regarding Student Enrollment Agreements)

14. Respondent's application is subject to denial under Education Code sections 94887, in conjunction with CCR, Title 5, sections 71800 subdivision (e)(2) in that Respondent failed to provide a compliant Student Enrollment Agreement in that the Tuition Form did not include a numerical amount for the non-refundable registration fee.

SECOND CAUSE FOR DENIAL

(Deficiencies Regarding Student Enrollment Agreements)

15. Respondent's application is subject to denial under Education Code sections 94887, in conjunction with CCR, Title 5, sections 71800 subdivision (e)(11) in that Respondent failed to provide a compliant Student Enrollment Agreement in that the Tuition Form did not include a numerical amount for the non-refundable Student Tuition Recovery Fund (STRF) fee.

THIRD CAUSE FOR DENIAL

(Deficiencies Regarding Student Enrollment Agreements)

16. Respondent's application is subject to denial under Education Code sections 94887, and 94920 subdivision (b), (d) and (e), in that Respondent failed to provide a compliant Student Enrollment Agreement in that the Tuition Form contains an invalid refund policy as follows:

17. The Enrollment Agreement specifies that if the student cancels during the first day, the tuition will be retained by the school in an amount calculated at a rate of $50 per hour. The statute requires, however, that the institution refunds 100% of the tuition, less a reasonable deposit or application fee not to exceed two hundred fifty dollars ($250) if notice of cancellation is made through attendance at the first class session, or the seventh day after enrollment whichever is later.

18. The Enrollment Agreement further specifies that if the student withdraws from the course after the first day, the students will be charged 2% of full tuition multiplied by course hours. However, the statute states that the institution shall have a refund policy for students who have completed 60% or less of the period of attendance and that they shall be given a pro rata refund for the return of earned institutional charges if the student cancels an enrollment agreement or withdraws during a period of attendance.

19. The Enrollment Agreement further specifies that refunds will be paid within 90 days of the enrollment date. The statute provides that the institution pay or credit refunds within 45 days of a student's cancellation or withdrawal.

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FOURTH CAUSE FOR DENIAL

(Failure to Provide Compliant Financial Resources and Statements)

20. Respondent's application is subject to denial under Education Code sections 94887 in conjunction with CCR, title 5, sections 74115 subdivision (d), 71475 subdivision (e), and (kk) in that on December 1, 2015, Respondent submitted a Profit and Loss Statement for the period ending December 1, 2015. The financial report was not audited nor reviewed by a licensed certified public accountant. Submission of an incomplete application renders the institution ineligible for renewal.

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 Rashpal Singh Dhindsa, Owner, Doaba Trucking School for a Renewal of Approval to Operate and Offer Educational Programs for Non-Accredited Institutions; and

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

DATED: 9-8-16

JOANNE WENZEL
Chief
Bureau for Private Postsecondary Education
Department of Consumer Affairs
State of California
Complainant

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