Bureau for Private Postsecondary Education
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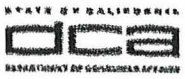

ORDER SUSPENDING APPROVAL TO OPERATE DEGREE GRANTING PROGRAMS

To: Young Park
Calstone University
2975 Wilshire Blvd. Suite 103
Los Angeles, CA 90010

INSTITUTION CODE: 1940991
ORDER NUMBER: 1002825
ORDER MAILING DATE: August 2, 2017
ORDER EFFECTIVE DATE: August 7, 2017
DUE DATE TO REQUEST INFORMAL OFFICE CONFERENCE: September 6, 2017

Yvette Johnson, as the designee of the Bureau Chief of the Bureau for Private Postsecondary Education (Bureau), hereby issues an Order Suspending Approval to Operate Degree Granting Programs (Order) of the above institution.

This Order is hereby issued to Calstone University and the Board members of Calstone University, 2975 Wilshire Blvd. Suite 103, Los Angeles, CA 90010 pursuant to California Education Code (CEC) section 94885.1(b)(2) and Title 5 of the California Code of Regulations (5 CCR) section 71410 for the violations described below.

Factual Basis

Bureau records indicate that you obtained an approval to operate from the Bureau on or before January 1, 2015, and that you are operating an approved, unaccredited institution that offers one or more degree programs.

Pursuant to CEC section 94885.1(b)(2), your institution was required to submit evidence of having achieved accreditation candidacy or pre-accreditation[1] by July 1, 2017 but failed to do so, despite being notified by certified letter on May 5, 2017 of this requirement and the risk of automatic suspension.[2]

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[1] As defined by 5 CCR section 70000(s), for this purpose, "pre-accreditation" or "candidacy" means that an institution has submitted a completed application for initial accreditation with the required fee, which was accepted by the accreditor.

[2] If you applied for an extension of time pursuant to CEC section 94885.1(d), the Bureau denied the request because the institution did not provide sufficient evidence to demonstrate that the institution is making strong progress toward obtaining accreditation.

ORDER

In accordance with the provisions of CEC section 94885.1(b)(2) and 5 CCR sections 71410 and 74250, the Bureau hereby orders the following:

1. The approval to operate, issued to Calstone University and the Board members of Calstone University, is automatically suspended as to all of the institution's degree programs. The Bureau will not lift the suspension until the institution complies with the requirements of CEC section 94885.1(b)(2) by submitting evidence to the Bureau of having achieved accreditation candidacy or pre-accreditation.

2. You must immediately **cease enrolling new students** in all of your degree programs.

3. Within 30 days of the effective date of this Order, you must submit a **degree program closure plan** to the Bureau with all of the following:

   a. The date the institution stopped enrolling new students in the degree program(s).
   b. A list of contact information for all students currently enrolled in each degree program.
   c. A **teach-out plan** with information on the arrangements you have made for students to complete their educational programs at another institution. **The institution shall not teach-out its own students.** The teach-out plan must: (1) provide the name and location of the institution(s) providing the teach-out; (2) include a plan for the disposition of student records per CEC section 94927.5; (3) be compliant with the refund provisions of CEC section 94927; and (4) include a copy of the notification to be provided to students identified in item # 4 below.

4. The institution must notify, in writing, all currently enrolled students within five (5) business days of the effective date of this Order of the following:

   a. That the institution has received a notice of suspension from the Bureau and may no longer offer degree programs.
   b. The teach-out plan, which shall provide, at minimum, the following information: (1) the name and location of the institution(s) that is providing the teach-out, (2) the date upon which instruction at the teach-out institution(s) will begin, (3) how and when payments will be made to the new institution and any relevant financial information, and (4) a contact person at the new institution(s).
   c. That the student has a right to choose not to participate in the teach-out, and instead seek a refund for any classes the student is currently enrolled in or has not yet completed.

5. Any student may seek a refund from the institution rather than participate in a proposed teach-out program. The school must provide refunds within 45 days of the request by a student.

6. Failure of any institution to comply with the requirements of this section will be considered a violation and subject to action by the Bureau.

APPEAL OF ORDER

You may request an appeal of this Order before the Director of the Department of Consumer Affairs, or his or her designee. (5 CCR section 71410.)

Because this suspension is automatic per CEC section 94885.1(e), the institution shall not operate its degree programs during any appeal.

If you wish to appeal this Order, you must do so within 30 days from the effective date of the Order. *Unless you sign a written request for an appeal and deliver it to the Bureau within 30 days from the effective date of the Order, you will be deemed to have waived your right to appeal this matter to the Department of Consumer Affairs.*

Upon timely receipt of your request for an appeal, an informal office conference will be arranged within 30 days, or as extended at your request or by the Bureau for good cause. Upon request and approval, the person approved to operate the institution or representative may participate in the office conference by telephone.

Please submit your request to:

Bureau for Private Postsecondary Education
Attn: Christina Villanueva, Discipline Analyst
2535 Capitol Oaks Drive, Ste. 400
Sacramento, CA 95833

Failure by an institution to comply with the Order above may result in further enforcement action. The Bureau will promptly take all appropriate action to enforce this Order.

CONTACT INFORMATION

If you have any questions regarding this Order, or can verify that you submitted evidence to the Bureau of accreditation candidacy or pre-accreditation, please contact Christina Villanueva, Discipline Analyst, at 916-431-6958 or Christina.Villanueva@dca.ca.gov.

Yvette Johnson

Yvette Johnson
Enforcement Chief

8-2-2017

Date

Enclosures:
Declaration of Service by Certified and First Class Mail