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8 **BEFORE THE**
9 **DEPARTMENT OF CONSUMER AFFAIRS**
10 **FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION**
STATE OF CALIFORNIA

11 In the Matter of the Amended Statement of
Issues Against:

12 **AMERICAN INSTITUTE OF**
13 **EDUCATION**
17632 Irvine Blvd., #215
14 Tustin, CA 92780

15 **Application for Renewal of Approval to**
Operate an Institution Non-Accredited

16 **Institution Code No. 1921011**

17 Respondent.

Case No. BPPE25-0828

AMENDED STATEMENT OF ISSUES

19
20 **PARTIES**

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

24 2. On or about June 30, 2020, the Bureau received an application for a Renewal of
25 Approval to Operate an Institution Non-Accredited from American Institute of Education
26 (Respondent), owned by Aria Holdings and Investments Group, LLC (Aria).

27 3. On or about June 25, 2020, Aria certified under penalty of perjury to the truthfulness
28 of all statements, answers, and representations in the application.

4. On or about May 20, 2025, the Bureau approved an Application for Transfer of Ownership to the current owner, Meita Flawless, Inc., which is owned equally by co-owners Raymond Ruiz and Tamie Loibl.

5. The Bureau denied the application for Renewal of Approval to Operate an Institution Non-Accredited on September 12, 2025.

JURISDICTION

6. This Amended Statement of Issues is brought before the Director of the Department of Consumer Affairs (Director) for the Bureau under the authority of the following laws. All section references are to the Education Code (Code or CEC) unless otherwise indicated.

7. Section 94817 states:

“‘Approval to operate’ or ‘approval’ means the authorization pursuant to this chapter to offer to the public and to provide postsecondary educational programs, as well as the written document issued to an institution signifying its approval to operate.”

8. Section 94817.5 states:

“‘Approved to operate’ or ‘approved’ means that an institution has received authorization pursuant to this chapter to offer to the public and to provide postsecondary educational programs.”

9. Code section 94885 states:

(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.

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

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

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

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

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10 10. Code section 94886 states:

11 “Except as exempted in Article 4 (commencing with Section 94874) or in compliance
12 with the transition provisions in Article 2 (commencing with Section 94802), a person shall not
13 open, conduct, or do business as a Private Postsecondary Educational Institution in this State
14 without obtaining an approval to operate under this chapter.”

15 11. Code section 94887 states:

16 An approval to operate shall be granted only after an applicant has
17 presented sufficient evidence to the Bureau, and the Bureau has independently
18 verified the information provided by the applicant through site visits or other
19 methods deemed appropriate by the Bureau, that the applicant has the capacity to
20 satisfy the minimum operating standards. The Bureau shall deny an application
21 for an approval to operate if the application does not satisfy those standards. The
22 Bureau may deny an application for an approval to operate institutions that would
23 be owned by, have persons in control of, or employ institution managers that had
24 knowledge of, should have known, or knowingly participated in any conduct that
25 was the cause for revocation or unmitigated discipline at another institution.

26 12. Code section 94891 states in pertinent part:

27 . . .

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

29 **STATUTORY PROVISIONS**

30 13. Code section 94913 states:

31 (a) An institution that maintains an internet website shall provide on that internet
32 website the current version of all of the following:

33 (1) The school catalog.

1 (2) A School Performance Fact Sheet for each educational program
2 offered by the institution.

3 (3) Student brochures offered by the institution.

4 (4) A link to the bureau's internet website.

5 (5) The institution's most recent annual report submitted to the bureau.

6 (b) An institution shall include information concerning where students may access
7 the bureau's internet website anywhere the institution identifies itself as being approved by
8 the bureau.

9 **REGULATORY PROVISIONS**

10 14. Title 5, CCR section 74117 (Regulation 74117), subdivision (b), states:

11 In addition to the requirement in Section 94913(b) of the Code, an institution that
12 maintains a website shall provide on the homepage of that website clear and conspicuous
13 links to all the items required in Section 94913(a) of the Code.

14 15. Title 5, CCR section 75050 (Regulation 75050), Compliance with Citations, states:

15 (b) Failure of an applicant or institution issued an approval to operate to abate
16 the violation or to pay the fine within the time allowed is a ground for denial or
discipline of an approval to operate.

17 **FACTUAL BACKGROUND**

18 16. Respondent's Application for Renewal of Approval to Operate an Institution Non-
19 Accredited was received on June 30, 2020. From January 2021 through September 2025, the
20 Bureau and Respondent exchanged correspondence, documents, and other information related to
21 Respondent's renewal application.

22 17. The Bureau issued deficiency letters on January 27, 2021, April 13, 2023, and
23 October 11, 2023. Between March 1, 2021 and May 6, 2025, the Bureau received documentation
24 from Respondent in response to the Bureau's deficiency letters. On July 1, 2025, the Bureau's
25 Quality of Education Unit (QEU) sent a deficiency letter to Respondent. This letter requested
26 Respondent to ensure its website contained a current catalog, and informed Respondent the
27 website contained only the 2024 catalog. This letter also asked Respondent to ensure that its

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1 website contained the current Annual Report and the current School Performance Fact Sheet. The
2 Bureau did not receive a response to the July 1, 2025 letter.

3 18. On September 12, 2025, the Bureau issued Respondent a Notice of Denial of
4 Application for Renewal of Approval to Operate an Institution Non-Accredited. On or about
5 October 7, 2025, the Bureau received from Respondent a written notice of appeal requesting a
6 hearing regarding the Bureau's denial of Respondent's renewal application.

7 **FIRST CAUSE FOR DENIAL OF APPLICATION**

8 **(Minimum Operating Standards-Website Requirements)**

9 19. Respondent's application is subject to denial under Code section 94913, in
10 conjunction with Regulation 74117, in that the institution's website does not contain a current
11 version of the following:

12 a. A link to, or a copy of, the current school catalog. The Bureau previously
13 requested Respondent update the catalog on the website in a letter dated July 1, 2025. At the time
14 of the denial letter sent on September 12, 2025, the website should have contained, but did not
15 contain, the 2025 catalog. At the time of this filing, the website should contain the 2026 catalog,
16 but only contains a catalog that expired December 31, 2025.

17 b. A link to, or a copy of, the current School Performance Facts Sheets (SPFS).
18 At the time of the September 12, 2025 denial letter, the website should have contained SPFS from
19 2024. At the time of this filing, the posted SPFS should be from 2025, but the only SPFS posted
20 are from 2023.

21 c. A link to, or a copy of, the most current Annual Report submitted to the
22 Bureau. At the time of the September 12, 2025 denial letter, the website should have contained
23 the 2023 Annual Report. At the time of this filing, the 2024 Annual Report should be posted.
24 However, the website contains only the 2021 Annual Report.

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1 **SECOND CAUSE FOR DENIAL OF APPLICATION**

2 **(Minimum Operating Standards- Failure to Comply with Citation No. 2324170)**

3 20. Respondent's application is subject to denial under Regulation 75050, subdivision
4 (b), because Respondent failed to comply with Citation No. 2324170 issued to it on February 27,
5 2024. The circumstances are as follows:

6 21. The Bureau issued Citation No. 2324170 after Respondent failed to submit
7 components of the 2022 Annual Report, which was due to the Bureau by December 1, 2023. The
8 citation imposed a \$2,501.00 administrative fine and an Order of Abatement to submit the
9 missing components of the 2022 Annual Report. Compliance with the citation was due within
10 thirty days of its issuance. Respondent did not appeal the Citation. The Bureau mailed demand
11 letters for payment of the administrative fine and compliance with the Order of Abatement on
12 April 10, 2024, May 15, 2024, and January 15, 2025. On October 20, 2025, the Bureau received
13 payment of the administrative fine for citation 2324170 in the amount of \$2,501.00. However,
14 Respondent has not submitted the missing components of the 2022 Annual Report as required by
15 the Order of Abatement, so Respondent has not complied with the Order of Abatement for
16 Citation No. 2324170.

17 **THIRD CAUSE FOR DENIAL OF APPLICATION**

18 **(Minimum Operating Standards- Failure to Comply with Citation No. 23240281)**

19 22. Respondent's application is subject to denial under Regulation 75050, subdivision
20 (b), because Respondent failed to comply with Citation No. 23240281 issued to it on June 20,
21 2024. The circumstances are as follows:

22 23. The Bureau issued Citation No. 23240281 following an unannounced compliance
23 inspection that occurred on or about January 18, 2024, and Respondent: 1) failed to produce
24 records to the Bureau upon request, and 2) failed to comply with a Notice to Comply issued for
25 violations of regulations pertaining to website and catalog requirements. The citation imposed an
26 administrative fine of \$3,001.00 and included Orders of Abatement to submit proof of compliance
27 with the regulations at issue. Respondent did not appeal the Citation. The Bureau issued demand
28 letters for payment of the administrative fine and compliance with the Order of Abatement on:

1 September 23, 2024; November 18, 2024; and, January 15, 2025. Compliance with the citation
2 was due within thirty days of its issuance. On October 20, 2025, the Bureau received the payment
3 of the administrative fine for Citation 23240281 in the amount of \$3,001.00. However,
4 Respondent did not submit proof of compliance with the regulations as required by the Order of
5 Abatement, so Respondent has not complied with the Order of Abatement for Citation No.
6 23240281.

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 American Institute of Education for Renewal of Approval
12 to Operate an Institution Non-Accredited; and,
13 2. Taking such other and further action as deemed necessary and proper.

14
15 DATED: 8/21/2026

"Original signature on file"

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

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