1	Kamala D. Harris	
2	Attorney General of California DIANN SOKOLOFF	
3	Supervising Deputy Attorney General CARTER OTT	
4	Deputy Attorney General State Bar No. 221660	
5	1515 Clay Street, 20th Floor P.O. Box 70550	
6	Oakland, CA 94612-0550 Telephone: (510) 622-2219	
7	Facsimile: (510) 622-2270 E-mail: Carter.Ott@doj.ca.gov	
8	Attorneys for Complainant	
9	DEPARTMENT OF C	RE THE CONSUMER AFFAIRS
10		E POSTSECONDARY EDUCATION CALIFORNIA
11	· · · · · · · · · · · · · · · · · · ·	
12	In the Matter of the Statement of Issues Against:	Case No. 1000953
13	REVERE ACADEMY OF JEWELRY	
14	ARTS; ALAN REVERE, OWNER	STATEMENT OF ISSUES
15	Application for Renewal of Approval to Operate an Institution Non-Accredited	
16	Respondent.	
17 18		
18	Complainant alleges:	(DIF) (
		<u>TIES</u>
20		s this Statement of Issues solely in her official
21	capacity as the Chief of the Bureau for Private P	ostsecondary Education, Department of
' 1' 1	Consumer Affeitur	
22 23	Consumer Affairs.	non for Driver Destance dans Dilandian
23	2. On or about March 19, 2012, the Bu	reau for Private Postsecondary Education
23 24	2. On or about March 19, 2012, the Bu (Bureau) received an Application for Renewal o	f Approval to Operate an Institution Non-
23 24 25	 On or about March 19, 2012, the Bu (Bureau) received an Application for Renewal o Accredited (application number 24580) from Re 	f Approval to Operate an Institution Non- vere Academy of Jewelry Arts; Alan Revere,
23 24 25 26	2. On or about March 19, 2012, the Bu (Bureau) received an Application for Renewal o Accredited (application number 24580) from Re Owner ("Respondent"). On or about April 24, 2	f Approval to Operate an Institution Non- vere Academy of Jewelry Arts; Alan Revere, 012, the Bureau issued Respondent a deficiency
23 24 25 26 27	 On or about March 19, 2012, the Bu (Bureau) received an Application for Renewal o Accredited (application number 24580) from Re 	f Approval to Operate an Institution Non- vere Academy of Jewelry Arts; Alan Revere, 012, the Bureau issued Respondent a deficiency
23 24 25 26	2. On or about March 19, 2012, the Bu (Bureau) received an Application for Renewal o Accredited (application number 24580) from Re Owner ("Respondent"). On or about April 24, 2 letter. The Bureau issued Respondent a subsequ	f Approval to Operate an Institution Non- vere Academy of Jewelry Arts; Alan Revere, 012, the Bureau issued Respondent a deficiency

1	2013. Between January 30, 2014 and December 8, 2014, Respondent and the Bureau
2	communicated and corresponded regarding Respondent's application.
3	3. On or about July 23, 2015, the Bureau issued Respondent a Notice of Denial of
4	Application for Renewal of Approval to Operate. On or about August 14, 2015, Respondent
5	requested an administrative hearing regarding the Bureau's denial of its application.
6	JURISDICTION
7	4. This Statement of Issues is brought before the Director of Department of Consumer
8	Affairs (Director) for the Bureau for Private Postsecondary Education, under the authority of the
9.	following laws. All section references are to the Education Code unless otherwise indicated.
10	5. California Business and Professions Code section 118, subdivision (b) provides:
11	"(b) The suspension, expiration, or forfeiture by operation of law of a license issued by a
12	board in the department, or its suspension, forfeiture, or cancellation by order of the board or by
13	order of a court of law, or its surrender without the written consent of the board, shall not, during
14	any period in which it may be renewed, restored, reissued, or reinstated, deprive the board of its
15	authority to institute or continue a disciplinary proceeding against the licensee upon any ground
16	provided by law or to enter an order suspending or revoking the license or otherwise taking
17	disciplinary action against the licensee on any such ground."
18	6. Section 94886 provides:
19	"Except as exempted in Article 4 (commencing with Section 94874) or in compliance with
20	the transition provisions in Article 2 (commencing with Section 94802), a person shall not open,
21	conduct, or do business as a private postsecondary educational institution in this state without
22	obtaining an approval to operate under this chapter."
23	7. Section 94887 provides:
24	"An approval to operate shall be granted only after an applicant has presented sufficient
25	evidence to the bureau, and the bureau has independently verified the information provided by the
26	applicant through site visits or other methods deemed appropriate by the bureau, that the
27	applicant has the capacity to satisfy the minimum operating standards. The bureau shall deny an
28	application for an approval to operate if the application does not satisfy those standards." 2

Ï

1	STATUTORY & REGULATORY PROVISIONS ¹
2	8. Section 94909 states, in part:
3	"(a) Prior to enrollment, an institution shall provide a prospective student, either in writing
4	or electronically, with a school catalog containing, at a minimum, all of the following:
5	•••
6	"(8) A detailed description of institutional policies in the following areas:
7	
8	"(B) Cancellation, withdrawal, and refund policies, including an explanation that the
9	student has the right to cancel the enrollment agreement and obtain a refund of charges paid
10	through attendance at the first class session, or the seventh day after enrollment, whichever is
11	later. The text shall also include a description of the procedures that a student is required to
12	follow to cancel the enrollment agreement or withdraw from the institution and obtain a refund
13	consistent with the requirements of Article 13 (commencing with Section 94919).
14	
15	9. Section 94910 states, in part:
16	"Prior to enrollment, an institution shall provide a prospective student with a School
17	Performance Fact Sheet containing, at a minimum, the following information, as it relates to the
18	educational program:
19	· · ·
20	"(f) All of the following:
21	"(1) A description of the manner in which the figures described in subdivisions (a) to (d),
22	inclusive, are calculated or a statement informing the reader of where he or she may obtain a
23	description of the manner in which the figures described in subdivisions (a) to (d), inclusive, are
24	calculated.
25	
26	
27 28	¹ The California Private Postsecondary Education Act of 2009 was recently amended, effective January 1, 2015. <i>See</i> Senate Bill No. 1247. This Statement of Issues is based on the pre-amendment version of the Act.
20	3
	STATEMENT OF ISSUES In the Matter of the Statement of Issues Against Revere Academy of Jewelry Arts et al.

"(2) A statement informing the reader of where he or she may obtain from the institution a 1 list of the employment positions determined to be within the field for which a student received 2 education and training for the calculation of job placement rates as required by subdivision (b). 3 "(3) A statement informing the reader of where he or she may obtain from the institution a 4 5 list of the objective sources of information used to substantiate the salary disclosure as required by subdivision (d). 6 "(g) The following statements: 7 "(1) 'This fact sheet is filed with the Bureau for Private Postsecondary Education. 8 9 Regardless of any information you may have relating to completion rates, placement rates, 10 starting salaries, or license exam passage rates, this fact sheet contains the information as calculated pursuant to state law." 11 12 "(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 Private Postsecondary 13 Education at (address), Sacramento, CA (ZIP Code), (Internet Web site address), (telephone and 14 fax numbers). 15 16 17 10. Section 94920 states, in part: "An institution that does not participate in the federal student financial aid programs shall 18 do all of the following: 19 20"(b) Institutions shall refund 100 percent of the amount paid for institutional charges, less a 21 22 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 23 enrollment, whichever is later. 24" 2526 /////

- 27 /////
- 28 /////

4

1	11. California Code of Regulations, title 5, section 71745 states, in part:
2	(a) The institution shall document that it has at all times sufficient assets and financial
3	resources to do all of the following:
4	
5	(6) Maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the
6	end of the most recent fiscal year when using generally accepted accounting principles, or for an
7	institution participating in Title IV of the federal Higher Education Act of 1965, meet the
8	composite score requirements of the U.S. Department of Education. For the purposes of this
9	section, current assets does not include: intangible assets, including goodwill, going concern
10	value, organization expense, startup costs, long-term prepayment of deferred charges, and non-
11 -	returnable deposits, or state or federal grant or loan funds that are not the property of the
12	institution but are held for future disbursement for the benefit of students. Unearned tuition shall
13	be accounted for in accordance with general accepted accounting principles."
14	12. California Code of Regulations, title 5, section 71800 states, in part:
15	"In addition to the requirements of section 94911 of the Code, an institution shall provide to
16	each student an enrollment agreement that contains at the least the following information:
17	
18	"(d) Date by which the student must exercise his or her right to cancel or withdraw, and the
19	refund policy, including any alternative method of calculation if approved by the Bureau pursuant
20	to section 94921 of the Code.
21	
22	13. California Code of Regulations, title 5, section 74112 states, in part:
23	•••
24	"(d) Completion Rates. Reporting of completion rates for an institution's Annual Report
25	and Performance Fact Sheet shall include, for each educational program, the number of students
26	who began program as defined in subdivision (b), the number of students available for
27	graduation, number of graduates, and completion rate(s). An optional column may be added to
28	include completion rate data for students completing within 101-150% of the published program 5
	STATEMENT OF ISSUES In the Matter of the Statement of Issues Against Revere Academy of Jewelry Arts et al.

,

1	length. For an institution reporting completion data pursuant to section 94929(b) of the Code,							
2	completion data shall be separately reported for each program. The Performance Fact Sheet shall							
3	disclose, if true, that the completion data is being reported for students completing within 150%							
4	of the published program length, and that data is not being separately reported for students							
5	completing the program within 100% of the published program length.							
6	"Completion rates shall be included in the Performance Fact Sheet in a format substantially							
7	similar to the cha	rt below, including	the footnoted inform	ation below (dates,	numbers, and other			
8	data shown are fo	or example only):						
9	"Completic	on Rates (includes d	ata for the two calen	dar years prior to re	porting)			
р ["Name of]	Educational Progra	am (Program Length)				
1	Calendar Year	Number of Students Who Began	Students Available for Graduation(2)	Graduates(3)	Completion Rate(4)			
3		Program(1)						
4	20XX	100	98	70	71%			
;	20XY	80	80	55	69%			
5		1 -	iblished Program Le		etion Rate			
7			m (Program Length)		1500			
3	Calendar Year	Number of Students Who Began Program(1)	Students Available for Graduation(2)	150% Graduates(5)	150% Completion Rate(6)			
	 20XX	100	98	25	26%			
1	20XY	80	80	23	29%			
2			Began Program' is					
3			lete the program with		-			
4		-	iduation' is the numb					
5		-			se students who have			
6			active military duty.	,				
7	,		of students who con	npleted the program	within 100% of the			
8	published progra							
	r		6					

"4 'Completion Rate' is the number of Graduates divided by the Number of Students
 Available for Graduation.

3 "5 '150% Graduates' is the number of students who completed the program within 1014 150% of the published program length.

5 "6 '150% Completion Rate' is the number of students who completed the program in the
6 reported calendar year within 101-150% of the published program length divided by the Number
7 of Students Available for Graduation in the published program length period.

"(e) Placement Rates.

8

9 "(1) Any placement data required by sections 94910(b) and 94929.5(a) of the Code shall
10 be reported for the number of students who began the program as defined in subdivision (b) for
11 each reported calendar year.

"(2) Placement is measured six months from the graduation date of each student.
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 subdivision (b), graduates
available for employment, graduates employed in the field and placement rate(s).

"(3) Placement rate shall be calculated as follows: the number of graduates employed in
the field as defined in subsection 74112(b)(3) divided by the number of graduates available for
employment as defined in section 94928(d) of the Code.

"(4) Graduates employed in the field shall be reported for those graduates employed in the
field in a single position that averages under 32 hours per week and those employed in the field in
a single position that averages at least 32 hours per week.

22 "References to the Code are to the California Education Code where the California Private
23 Postsecondary Education Act of 2009 is located.

7

- 24 /////
- 25 /////
- 26 /////
- 27 /////
- 28 /////

1	"Placement rates shall be included in the Performance Fact Sheet in a format substantial						bstantially							
2	similar to the chart below, including the footnoted information below (dates, numbers, and other													
3	data shown are for example only):													
4	¢¢; 1	Placement Ra	tes (includes o	data for the two	calendar ye	ars prior to	reporting)							
5		Name of Edu	icational Prog	g ram (Program)	Length)									
6	Calend ar Year	Number of Students	Number of Graduates(Graduates Available for	Graduat es	Placeme nt Rate	Graduat es	Graduat es						
7		Who Began	2)	Employment(3)	Employe d in the	% Employe	Employe d in the	Employe d in the						
8		Program(1)		·	Field(4)	d in the Field(5)	Field an average	Field at least 32						
9							of less than 32	hours per week						
10							hours per week	î						
11	20XX	100	70	70	55	79%	5	50						
12	20XY				20	0.00	9	11						
	2071	80	55	55	20	36%	/							
13			· · ·											
14	"1	'Number of S	Students Who	Began Program'	means the	number of s	students who	began the						
14 15	"1 program	'Number of S who are sche	Students Who duled to comp	Began Program' blete the program	means the within the	number of s reporting c	students who alendar year	began the						
14 15 16	"1 program "2	'Number of S who are sche 'Number of C	Students Who duled to comp Graduates' is t	Began Program' blete the program he number of stu	means the within the	number of s reporting c	students who alendar year	began the						
14 15 16 17	"1 program "2 within 10	'Number of S who are sche 'Number of C 00% of the pu	Students Who duled to comp Graduates' is t iblished progra	Began Program' blete the program he number of stu am length.	means the within the udents who	number of s reporting c have compl	students who alendar year eted the pro	began the gram						
14 15 16 17 18	"1 program "2 within 10 "3	'Number of S who are sche 'Number of C 00% of the pu 'Graduates av	Students Who duled to comp Graduates' is t ablished progra vailable for en	Began Program' blete the program he number of stu am length. nployment' mea	means the within the udents who ns the numb	number of s reporting c have compl per of gradu	students who alendar year eted the pro ates minus t	b began the gram he number						
14 15 16 17 18 19	"1 program "2 within 10 "3 of gradua	'Number of S who are sche 'Number of C 00% of the pu 'Graduates av ates unavailat	Students Who duled to comp Graduates' is t iblished progra vailable for en ple for employ	Began Program' blete the program he number of stu am length. nployment' mean ument. 'Graduat	means the within the idents who ns the number	number of s reporting c have compl per of gradu ble for empl	students who alendar year eted the pro ates minus t oyment' me	b began the gram he number ans						
14 15 16 17 18 19 20	"1 program "2 within 10 "3 of gradua graduate	'Number of S who are sche 'Number of C 00% of the pu 'Graduates av ates unavailat s who, after g	Students Who duled to comp Graduates' is t ablished progra vailable for en ole for employ raduation, die	Began Program' blete the program he number of str am length. aployment' mean ment. 'Graduat	means the within the idents who ns the numbes unavailable erated, are c	number of s reporting c have compl per of gradu ble for empl called to act	students who alendar year eted the pro ates minus t oyment' me ive military	b began the gram he number ans duty, are						
14 15 16 17 18 19	"1 program "2 within 10 "3 of gradua graduate internatio	'Number of S who are sche 'Number of C 00% of the pu 'Graduates av ates unavailat s who, after g onal students	Students Who duled to comp Graduates' is t ablished progra vailable for en ole for employ graduation, die that leave the	Began Program' blete the program he number of sta am length. aployment' mean ment. 'Graduat , become incarco United States or	means the within the udents who ns the number es unavailater rated, are o	number of s reporting c have compl per of gradu ble for empl called to act e a visa allo	students who alendar year eted the pro ates minus t oyment' me ive military wing emplo	b began the gram he number ans duty, are yment in						
14 15 16 17 18 19 20	"1 program "2 within 10 "3 of gradua graduate internation the United	'Number of S who are sche 'Number of C 00% of the pu 'Graduates av ates unavailat s who, after g onal students ed States, or a	Students Who duled to comp Graduates' is t ablished progra vailable for en ole for employ graduation, die that leave the re continuing	Began Program' blete the program he number of str am length. aployment' mean ment. 'Graduat	means the within the udents who ns the number es unavailater rated, are o	number of s reporting c have compl per of gradu ble for empl called to act e a visa allo	students who alendar year eted the pro ates minus t oyment' me ive military wing emplo	b began the gram he number ans duty, are yment in						
14 15 16 17 18 19 20 21	"1 program "2 within 10 "3 of gradua graduate internation the United	'Number of S who are sche 'Number of C 00% of the pu 'Graduates av ates unavailat s who, after g onal students	Students Who duled to comp Graduates' is t ablished progra vailable for en ole for employ graduation, die that leave the re continuing	Began Program' blete the program he number of sta am length. aployment' mean ment. 'Graduat , become incarco United States or	means the within the udents who ns the number es unavailater rated, are o	number of s reporting c have compl per of gradu ble for empl called to act e a visa allo	students who alendar year eted the pro ates minus t oyment' me ive military wing emplo	b began the gram he number ans duty, are yment in						
14 15 16 17 18 19 20 21 22	"1 program "2 within 10 "3 of gradua graduate internation the United postseco	'Number of S who are sche 'Number of C 00% of the pu 'Graduates av ates unavailat s who, after g onal students ed States, or a ndary institut	Students Who duled to comp Graduates' is t ablished progra vailable for en ole for employ graduation, die that leave the re continuing ion.	Began Program' blete the program he number of sta am length. aployment' mean ment. 'Graduat , become incarco United States or	means the within the idents who ns the number and not hav in an accred	number of s reporting c have compl ber of gradu ble for empl called to act e a visa allo lited or bure	students who alendar year eted the pro ates minus t oyment' me ive military wing emplo	b began the gram he number ans duty, are yment in d						
14 15 16 17 18 19 20 21 22 23	"1 program "2 within 10 "3 of gradua graduate internation the Unite postseco "4	'Number of S who are sche 'Number of C 00% of the pu 'Graduates av ates unavailat s who, after g onal students ed States, or a ndary institut 'Graduates en	Students Who duled to comp Graduates' is t ablished progra vailable for en ole for employ raduation, die that leave the re continuing ion.	Began Program' blete the program he number of str am length. aployment' mean ment. 'Graduat , become incarco United States or their education i	means the n within the idents who ns the number es unavailable rated, are of do not hav in an accred	number of s reporting c have compl per of gradu ble for empl called to act e a visa allo lited or bure	students who alendar year eted the pro ates minus t oyment' me ive military wing emplo au-approved t they are ga	b began the c gram he number eans duty, are duty, are oyment in d						
 14 15 16 17 18 19 20 21 22 23 24 	"1 program "2 within 10 "3 of graduate internation the United postseco "4 employe	'Number of S who are sche 'Number of C 00% of the pu 'Graduates av ates unavailat s who, after g onal students ed States, or a ndary institut 'Graduates en d within six n	Students Who duled to comp Graduates' is t ablished progra vailable for en ole for employ graduation, die that leave the tre continuing ion. mployed in the nonths of grad	Began Program' blete the program he number of str am length. aployment' mean ment. 'Graduat , become incarce United States on their education is e field' means gr	means the n within the udents who ns the numb es unavailat erated, are o do not hav in an accred raduates wh	number of s reporting c have compl per of gradu ble for empl called to act e a visa allo lited or bure to report that ch the skills	students who alendar year eted the pro ates minus t oyment' me ive military wing emplo au-approved t they are ga	b began the c. gram he number cans duty, are duty, are syment in d ainfully arough the						
 14 15 16 17 18 19 20 21 22 23 24 25 	"1 program "2 within 10 "3 of gradua graduate internation the United postseco "4 employe educatio	'Number of S who are sche 'Number of C 00% of the pu 'Graduates av ates unavailab s who, after g onal students ed States, or a ndary institut 'Graduates en d within six n n and training	Students Who duled to comp Graduates' is t ablished progra vailable for en ole for employ graduation, die that leave the tre continuing ion. mployed in the nonths of grad	Began Program' olete the program he number of sta am length. aployment' mean ment. 'Graduat by become incarco United States on their education is their education is luation in a positi the institution ar	means the n within the udents who ns the numb es unavailat erated, are o do not hav in an accred raduates wh	number of s reporting c have compl per of gradu ble for empl called to act e a visa allo lited or bure to report that ch the skills	students who alendar year eted the pro ates minus t oyment' me ive military wing emplo au-approved t they are ga	b began the c. gram he number cans duty, are duty, are syment in d ainfully arough the						
 14 15 16 17 18 19 20 21 22 23 24 25 26 	"1 program "2 within 10 "3 of gradua graduate internation the United postseco "4 employe educatio	'Number of S who are sche 'Number of C 00% of the pu 'Graduates av ates unavailab s who, after g onal students ed States, or a ndary institut 'Graduates en d within six n n and training	Students Who duled to comp Graduates' is t ablished progra vailable for en ole for employ graduation, die that leave the re continuing ion. mployed in the nonths of grad g provided by	Began Program' olete the program he number of sta am length. aployment' mean ment. 'Graduat by become incarco United States on their education is their education is luation in a positi the institution ar	means the n within the udents who ns the numb es unavailat erated, are o do not hav in an accred raduates wh	number of s reporting c have compl per of gradu ble for empl called to act e a visa allo lited or bure to report that ch the skills	students who alendar year eted the pro ates minus t oyment' me ive military wing emplo au-approved t they are ga	b began the c. gram he number cans duty, are duty, are syment in d ainfully arough the						

1	"5 Placement Rate is calculated by dividing the number of graduates gainfully employed in							
2	the field by the number of graduates available for employment."							
3								
4	"(g)) Salary and Wa	ge Informati	on.				
5	"Al	ll Salary and Wa	ge Informati	ion shall be r	reported to th	e Bureau pu	rsuant to sec	tion
6	94929.5(c) of the Code ar	nd, if require	d by section	94910(d) of	the Code, sh	all be includ	ed in the
7	Performa	nce Fact Sheet, t	for each edu	cational prog	gram, in a for	mat substant	tially similar	to the
8	chart belo	ow, including the	e footnoted i	nformation (dates, numbe	ers, salaries,	and other da	ta shown
9	are for ex	ample only).						
10	"Sa	lary and Wage I	nformation ((includes dat	a for the two	calendar ye	ars prior to r	eporting)
11	<u>"Na</u>	ame of Education	onal Progra	m (Program	Length)			
12					ary and Wag in the Field(3		by Graduate	25
13	Calenda	Graduates	Graduate	\$15,000.0	\$20,001.0	\$25,001.0	\$30,001.0	Students
14 15	r Year	Available for Employment(1)	s Employe d in the Field(2)	0 - \$20,000.0 0	0 - \$25,000.0 0	0 - \$30,000.0 0	0 - \$35,000.0 0	Not Reportin g Salary
16	20XX	100	70	5	40	6	3	16
17	20XY	80	55	5	7	3	5	35
18					1			
19	"]	l 'Graduates ava	ilable for en	nployment' r	neans the nu	mber of grad	luates minus	the
20	number o	f graduates unav	vailable for e	employment.	Graduates 1	ınavailable f	or employm	ent means
21	graduates	s who, after grad	uation, die,	become inca	rcerated, are	called to act	ive military	duty, are
22	internatio	onal students that	t leave the U	Inited States	or do not ha	ve a visa allo	wing employ	yment in
23	the Unite	d States, or are o	continuing th	neir educatio	n in an accre	dited or bure	au-approved	l
24	postsecor	ndary institution.						
25		2 'Graduates em	ployed in the	e field' mear	is graduates	who are gain	fully employ	ved within
26	six montl	ns of graduation	in a position	n for which t	he skills obta	uined through	n the education	on and
27	training p	provided by the i	nstitution ar	e required o	r provided a	significant a	dvantage to t	he
28	graduate	in obtaining the	position.					
	l			9			C'P A PERAT	NT OF ISSUES

.

I	
1	"3 Salary is as reported by the student. Not all graduates reported salary.
1 2	·····
3	14. California Code of Regulations, title 5, section 74115 states, in part:
4	
5	"(d) 'Current' with respect to financial statements means completed no sooner than 120
6	days prior to the time it is submitted to the Bureau, and covering no less than the most recent
7	complete fiscal year. If more than 8 months will have elapsed between the close of the most
8	recent complete fiscal year and the time it is submitted, the fiscal statements shall also cover no
9	less than five months of that current fiscal year."
10 11	FIRST CAUSE FOR DENIAL OF APPLICATION (Exemplars of Student Agreements) (Cal. Educ. Code § 94920, subd. (b); Cal. Code Regs., title 5, § 71800, subd. (d))
12	15. Respondent's application is subject to denial because the enrollment agreement it
13	offered with its application contains a non-compliant refund policy. (Cal. Educ. Code § 94920,
14	subd. (b); Cal. Code Regs., title 5, § 71800, subd. (d)). In particular, Respondent's proposed
15	enrollment agreement states on page 1 that a refund of tuition is pro-rated after the program
16	begins. Pursuant to Education Code section 94920, subdivision (b), institutions are required to
17	refund 100 percent of the amount paid for institutional charges, less a reasonable deposit or
18	application fee not to exceed two hundred fifty dollars (\$250), if notice of cancellation is made
19	through attendance at the first class session, or the seventh day after enrollment, whichever is
20	later. Respondent's refund policy does not appear to allow for situations where the withdrawing
21	student may still be in the seven day period but instruction had already begun.
22	SECOND CAUSE FOR DENIAL OF APPLICATION (Financial Resources and Statements)
23	(Cal. Code Regs., title 5, §§ 71745, subd. (a)(6) and 74115, subd. (d))
24	16. Respondent's application is subject to denial because the financial statements it
25	offered, on or about March 9, 2012 and October 3, 2014, are not compliant and otherwise
26	demonstrate Respondent lacks the necessary financial resources. In particular, the financial
27	statements Respondent offered on or about March 9, 2012 were not audited by a Certified Public
28	Accountant. (Cal. Code Regs., title 5, § 71745, subd. (a)(6)). In addition, the financial 10
	STATEMENT OF ISSUES In the Matter of the Statement of Issues Against Revere Academy of Jewelry Arts et al.
	TO ME MANDE OF THE STATEMENT OF DESIGN AND ACTED TO THE STATEMENT OF DESCRIPTION ACTION AND A THE STATEMENT OF THE STATEMENT

.

1	statements Respondent offered on or about October 3, 2014 are not "current" and demonstrate a
2	ratio of current assets to current liabilities of less than 1.25 to 1.00. (Cal. Code Regs., title 5, §§
3	71745, subd. (a)(6) and 74115, subd. (d)).
4	THIRD CAUSE FOR DENIAL OF APPLICATION
5	(Catalog) (Cal. Educ. Code §§ 94909, subd. (a)(8)(B) and 94920, subd. (b))
6	17. Respondent's application is subject to denial because the catalog it offered with its
7	application contains a non-compliant refund policy. (Cal. Educ. Code §§ 94909, subd. (a)(8)(B)
8	and 94920, subd. (b)). In particular, Respondent's proposed enrollment agreement states on page
9	12 that a refund of tuition is pro-rated after the program begins. Pursuant to Education Code
10	section 94920, subdivision (b), institutions are required to refund 100 percent of the amount paid
11	for institutional charges, less a reasonable deposit or application fee not to exceed two hundred
12	fifty dollars (\$250), if notice of cancellation is made through attendance at the first class session,
13	or the seventh day after enrollment, whichever is later. Respondent's refund policy does not
14	appear to allow for situations where the withdrawing student may still be in the seven day period
15	but instruction had already begun.
16	FOURTH CAUSE FOR DENIAL OF APPLICATION
17	(School Performance Fact Sheet) (Cal. Educ. Code § 94910, subds. (f) and (g);
18	Cal. Code Regs., title 5, § 74112, subds. (d), (e), and (g))
19	18. Respondent's application is subject to denial because the School Performance Fact
20	Sheet it offered with its application does not contain the disclosures required by Education Code
21	section 94910, subdivisions (f) and (g), and California Code of Regulations, title 5, section
22	7,4112, subdivisions (d), (e), and (g).
23	////
24	////
25	
26	
27	////
28	/////
	11 Statement of Issues
	In the Matter of the Statement of Issues Against Revere Academy of Jewelry Arts et al.

In the Matter of the Statement of Issues Against Revere Academy of Jewelry Arts et al.

.

1	PRAYER						
2	WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,						
3	and that following the hearing, the Director of the Department of Consumer Affairs issue a						
4	decision:						
5	1. Denying Respondent's Application for Renewal of Approval to Operate an Institution						
6	Non-Accredited (application number 24580); and						
7	2. Taking such other and further action as deemed necessary and proper.						
8	\frown						
9	DATED: 11/10/15						
10	JOANNE WENZEL Chief						
11	Bureau for Private Postsecondary Education Department of Consumer Affairs						
12	State of California Complainant						
13							
14	SF2015900710						
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
	12 STATEMENT OF ISSUE						