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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:
**CALIFORNIA TAKSHILA UNIVERSITY
NARAYAN BAIDYA, OWNER**
**Applicant for Approval to Operate an
Institution Not Accredited**
Application No. 22629

Respondent.

Case No. 998701

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 2, 2010, the Bureau for Private Postsecondary Education (Bureau) received an Application for an Approval to Operate an Institution Not Accredited, on Form Application Number 94886, from Narayan Baidya, Owner of California Takshila University (Respondent). Narayan Baidya certified under penalty of perjury to the truthfulness of

1 all statements, answers, and representations in the application on or about July 30, 2010. On or
2 about August 3, 2010, the Bureau designated Respondent's application as Application Number
3 22629.

4 3. From on or about June 16, 2011, through on or about May 19, 2012, the Bureau
5 issued, and received responses to, three deficiency letters regarding Respondent's application.

6 4. On or about November 29, 2012, the Bureau issued a Notice of Denial of Application
7 for Approval to Operate. Respondent appealed the denial on or around January 28, 2013. On or
8 about February 20, 2013, the Bureau issued a revised Notice of Denial of Application for
9 Approval to Operate, removing the request for the institution to close.

10 5. On or about April 11, 2013, Respondent provided additional information and
11 requested the Bureau reconsider its denial. On or about June 12, 2013, the Bureau agreed to
12 review the additional information and reconsider the application. On or about September 26,
13 2013, and September 27, 2013, the Bureau conducted a site visit of the institution as part of its
14 reconsideration of Respondent's application. The Visiting Committee Report (VCR), derived
15 from the site visit, was mailed to Respondent on or about December 24, 2013. The Bureau
16 received Respondent's reply to the VCR on or about January 15, 2014.

17 6. On or about May 20, 2014, having reconsidered Respondent's application, the Bureau
18 issued another Notice of Denial of Application of Approval to Operate. The Notice informed
19 Respondent that no further response was required in order to proceed with appealing the denial of
20 the application.

21 JURISDICTION

22 7. This Statement of Issues is brought before the Director of the Department of
23 Consumer Affairs (Director) for the Bureau under the authority of the following laws. All section
24 references are to the Education Code unless otherwise indicated.

25 8. Section 94875 provides, in part, that the Bureau shall regulate private postsecondary
26 educational institutions through the powers granted, and duties imposed, by the California Private
27 Postsecondary Education Act of 2009. (Ed. Code §§ 94800 et seq.)

28 9. Section 94886 provides that except as exempted in Article 4 (commencing with

1 section 94874), or in compliance with the transition provisions in Article 2 (commencing with
2 section 94802), a person shall not open, conduct, or do business as a private postsecondary
3 educational institution in this state without obtaining an approval to operate under this chapter.

4 10. Section 94887 states:

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

10 STATUTORY PROVISIONS

11 11. Section 94900.5 states:

12 An institution shall maintain, for a period of not less than five years, at its principal
13 place of business in this state, complete and accurate records of all of the following
information:

14 (a) The educational programs offered by the institution and the curriculum for each.

15 (b) The names and addresses of the members of the institution's faculty and records of
16 the educational qualifications of each member of the faculty.

17 (c) Any other records required to be maintained by this chapter, including, but not
18 limited to, records maintained pursuant to Article 16 (commencing with Section
94928).

19 12. Section 94909 states:

20 (a) Prior to enrollment, an institution shall provide a prospective student, either in
21 writing or electronically, with a school catalog containing, at a minimum, all of the
following:

22 (1) The name, address, telephone number, and, if applicable, Internet
23 Web site address of the institution.

24 (2) Except as specified in Article 2 (commencing with Section 94802), a
statement that the institution is a private institution and that it is approved to operate
25 by the bureau.

26 (3) The following statements:

27 (A) "Any questions a student may have regarding this catalog that
28 have not been satisfactorily answered by the institution may be directed to
the Bureau for Private Postsecondary Education at (address), Sacramento,
CA (ZIP Code), (Internet Web site address), (telephone and fax numbers)."

1 (B) "As a prospective student, you are encouraged to review this
2 catalog prior to signing an enrollment agreement. You are also encouraged
3 to review the School Performance Fact Sheet, which must be provided to
4 you prior to signing an enrollment agreement."

5 (C) "A student or any member of the public may file a complaint about
6 this institution with the Bureau for Private Postsecondary Education by calling (toll-
7 free telephone number) or by completing a complaint form, which can be obtained
8 on the bureau's Internet Website (Internet Web site address)."

9 (4) The address or addresses where class sessions will be held.

10 (5) A description of the programs offered and a description of the
11 instruction provided in each of the courses offered by the institution, the requirements
12 for completion of each program, including required courses, any final tests or
13 examinations, any required internships or externships, and the total number of credit
14 hours, clock hours, or other increments required for completion.

15 (6) If the educational program is designed to lead to positions in a
16 profession, occupation, trade, or career field requiring licensure in this state, a notice
17 to that effect and a list of the requirements for eligibility for licensure.

18 (7) Information regarding the faculty and their qualifications.

19 (8) A detailed description of institutional policies in the following areas:

20 (A) Admissions policies, including the institution's policies regarding
21 the acceptance of credits earned at other institutions or through challenge
22 examinations and achievement tests, admissions requirements for ability-to-benefit
23 students, and a list describing any transfer or articulation agreements between the
24 institution and any other college or university that provides for the transfer of credits
25 earned in the program of instruction. If the institution has not entered into an
26 articulation or transfer agreement with any other college or university, the institution
27 shall disclose that fact.

28 (B) Cancellation, withdrawal, and refund policies, including an
explanation that the student has the right to cancel the enrollment agreement and
obtain a refund of charges paid through attendance at the first class session, or the
seventh day after enrollment, whichever is later. The text shall also include a
description of the procedures that a student is required to follow to cancel the
enrollment agreement or withdraw from the institution and obtain a refund consistent
with the requirements of Article 13 (commencing with Section 94919).

(C) Probation and dismissal policies.

(D) Attendance policies.

(E) Leave-of-absence policies.

(9) The schedule of total charges for a period of attendance and an
estimated schedule of total charges for the entire educational program.

(10) A statement reporting whether the institution participates in federal
and state financial aid programs, and if so, all consumer information that is required
to be disclosed to the student pursuant to the applicable federal and state financial aid
programs.

1 (11) A statement specifying that, if a student obtains a loan to pay for an
2 educational program, the student will have the responsibility to repay the full amount
3 of the loan plus interest, less the amount of any refund, and that, if the student has
4 received federal student financial aid funds, the student is entitled to a refund of the
5 moneys not paid from federal student financial aid program funds.

6 (12) A statement specifying whether the institution has a pending petition
7 in bankruptcy, is operating as a debtor in possession, has filed a petition within the
8 preceding five years, or has had a petition in bankruptcy filed against it within the
9 preceding five years that resulted in reorganization under Chapter 11 of the United
10 States Bankruptcy Code (11 U.S.C. Sec. 1101 et seq.).

11 (13) If the institution provides placement services, a description of the
12 nature and extent of the placement services.

13 (14) A description of the student's rights and responsibilities with respect
14 to the Student Tuition Recovery Fund. This statement shall specify that it is a state
15 requirement that a student who pays his or her tuition is required to pay a state-
16 imposed assessment for the Student Tuition Recovery Fund. This statement shall also
17 describe the purpose and operation of the Student Tuition Recovery Fund and the
18 requirements for filing a claim against the Student Tuition Recovery Fund.

19 (15) The following statement:

20 "NOTICE CONCERNING TRANSFERABILITY OF CREDITS AND
21 CREDENTIALS EARNED AT OUR INSTITUTION

22 The transferability of credits you earn at (name of institution) is at the
23 complete discretion of an institution to which you may seek to transfer. Acceptance of
24 the (degree, diploma, or certificate) you earn in (name of educational program) is also
25 at the complete discretion of the institution to which you may seek to transfer. If the
26 (credits or degree, diploma, or certificate) that you earn at this institution are not
27 accepted at the institution to which you seek to transfer, you may be required to
28 repeat some or all of your coursework at that institution. For this reason you should
make certain that your attendance at this institution will meet your educational goals.
This may include contacting an institution to which you may seek to transfer after
attending (name of institution) to determine if your (credits or degree, diploma or
certificate) will transfer."

(16) A statement specifying whether the institution, or any of its degree
programs, are accredited by an accrediting agency recognized by the United States
Department of Education. If the institution is unaccredited and offers an associate,
baccalaureate, master's, or doctoral degree, or is accredited and offers an unaccredited
program for an associate, baccalaureate, master's, or doctoral degree, the statement
shall disclose the known limitations of the degree program, including, but not limited
to, all of the following:

(A) Whether a graduate of the degree program will be eligible to sit for
the applicable licensure exam in California and other states.

(B) A degree program that is unaccredited or a degree from an
unaccredited institution is not recognized for some employment positions, including,
but not limited to, positions with the State of California.

(C) That a student enrolled in an unaccredited institution is not eligible
for federal financial aid programs.

1 (b) If the institution has a general student brochure, the institution shall provide that
2 brochure to the prospective student prior to enrollment. In addition, if the institution
3 has a program-specific student brochure for the program in which the prospective
4 student seeks to enroll, the institution shall provide the program-specific student
5 brochure to the prospective student prior to enrollment.

6 (c) An institution shall provide the school catalog to any person upon request. In
7 addition, if the institution has student brochures the institution shall disclose the
8 requested brochures to any interested person upon request.

9 13. Section 94911 states:

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

11 (a) The name of the institution and the name of the educational program, including
12 the total number of credit hours, clock hours, or other increment required to complete
13 the educational program.

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

17 (c) In underlined capital letters on the same page of the enrollment agreement in
18 which the student's signature is required, the total charges for the current period of
19 attendance, the estimated total charges for the entire educational program, and the
20 total charges the student is obligated to pay upon enrollment.

21 (d) A clear and conspicuous statement that the enrollment agreement is legally
22 binding when signed by the student and accepted by the institution.

23 (e) (1) A disclosure with a clear and conspicuous caption, "STUDENT'S RIGHT TO
24 CANCEL," under which it is explained that the student has the right to cancel the
25 enrollment agreement and obtain a refund of charges paid through attendance at the
26 first class session, or the seventh day after enrollment, whichever is later.

27 (2) The disclosure shall contain the institution's refund policy and a statement
28 that, if the student has received federal student financial aid funds, the student is
entitled to a refund of moneys not paid from federal student financial aid program
funds.

(3) The text shall also include a description of the procedures that a student is
required to follow to cancel the enrollment agreement or withdraw from the
institution and obtain a refund.

(f) A statement specifying that, if the student obtains a loan to pay for an educational
program, the student will have the responsibility to repay the full amount of the loan
plus interest, less the amount of any refund.

(g) A statement specifying that, if the student is eligible for a loan guaranteed by the
federal or state government and the student defaults on the loan, both of the following
may occur:

(1) The federal or state government or a loan guarantee agency may take action
against the student, including applying any income tax refund to which the person is
entitled to reduce the balance owed on the loan.

1 (2) The student may not be eligible for any other federal student financial aid at
2 another institution or other government assistance until the loan is repaid.

3 (h) The transferability disclosure that is required to be included in the school catalog,
4 as specified in paragraph (15) of subdivision (a) of Section 94909.

5 (i) (1) The following statement: "Prior to signing this enrollment agreement, you must
6 be given a catalog or brochure and a School Performance Fact Sheet, which you are
7 encouraged to review prior to signing this agreement. These documents contain
8 important policies and performance data for this institution. This institution is
9 required to have you sign and date the information included in the School
10 Performance Fact Sheet relating to completion rates, placement rates, license
11 examination passage rates, salaries or wages, and the most recent three-year cohort
12 default rate, if applicable, prior to signing this agreement."

13 (2) Immediately following the statement required by paragraph (1), a line for the
14 student to initial, including the following statement: "I certify that I have received the
15 catalog, School Performance Fact Sheet, and information regarding completion rates,
16 placement rates, license examination passage rates, salary or wage information, and
17 the most recent three-year cohort default rate, if applicable, included in the School
18 Performance Fact sheet, and have signed, initialed, and dated the information
19 provided in the School Performance Fact Sheet."

20 (j) The following statements:

21 (1) "Any questions a student may have regarding this enrollment agreement that
22 have not been satisfactorily answered by the institution may be directed to the Bureau
23 for Private Postsecondary Education at (address), Sacramento, CA (ZIP Code),
24 (Internet Web site address), (telephone and fax numbers)."

25 (2) "A student or any member of the public may file a complaint about this
26 institution with the Bureau for Private Postsecondary Education by calling (toll-free
27 telephone number) or by completing a complaint form, which can be obtained on the
28 bureau's Internet Website (Internet Web site address)."

(k) The following statement above the space for the student's signature:

"I understand that this is a legally binding contract. My signature below certifies that I
have read, understood, and agreed to my rights and responsibilities, and that the
institution's cancellation and refund policies have been clearly explained to me."

14. Section 94920, subdivision (d), states that an institution that does not participate in the
federal student financial aid programs shall have a refund policy for the return of unearned
institutional charges if the student cancels an enrollment agreement and 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.

REGULATORY PROVISIONS

15. California Code of Regulations, title 5, section 71320, states that Form Application
94886 shall contain a description of the procedures used by the institution to assure that it is

1 maintained and operated in compliance with the Act and this Division.

2 16. California Code of Regulations, title 5, section 71710 states that in order to meet its
3 mission and objectives, the educational program defined in section 94837 of the Code shall be
4 comprised of a curriculum that includes:

5 (a) those subject areas that are necessary for a student to achieve the educational
6 objectives of the educational program in which the student is enrolled;

7 (b) subject areas and courses or modules that are presented in a logically organized
8 manner or sequence to students;

9 (c) course or module materials that are designed or organized by duly qualified
10 faculty. For each course or module, each student shall be provided with a syllabus or
11 course outline that contains:

12 (1) a short, descriptive title of the educational program;

13 (2) a statement of educational objectives;

14 (3) length of the educational program;

15 (4) sequence and frequency of lessons or class sessions;

16 (5) complete citations of textbooks and other required written materials;

17 (6) sequential and detailed outline of subject matter to be addressed or a list of
18 skills to be learned and how those skills are to be measured;

19 (7) instructional mode or methods.

20 (d) if degree granting, require research of an appropriate degree that utilizes a library
21 and other learning resources;

22 (e) specific learning outcomes tied to the sequence of the presentation of the material
23 to measure the students' learning of the material; and

24 (f) evaluation by duly qualified faculty of those learning outcomes.

25 17. California Code of Regulations, title 5, section 71720, states, in part:

26 (a) An Educational Program Leading to a Degree.

27 (1) An institution offering an educational program that leads to a degree shall
28 employ duly qualified faculty sufficient in number to provide the instruction, student
advisement, and learning outcomes evaluation necessary for the institution to
document its achievement of its stated mission and objectives, and for students to
achieve the specific learning objectives of each course offered;

(2) Each institution shall develop and implement written policies and procedures
providing for the participation by duly qualified faculty in the conducting of research,
development of curricula, academic planning, enforcement of standards of academic

1 quality, pursuit of academic matters related to the institution's mission and objectives,
2 establishment of criteria for contracting with new faculty, and evaluation of faculty
3 credentials;

4 (3) In determining the number of faculty sufficient to satisfy subdivision (a)(1) of
5 this section and to implement the policies established pursuant to subdivision (a)(2) of
6 this section, the institution shall base its faculty requirements on all of the following
7 factors:

8 (A) The educational level and number of students;

9 (B) The number of hours needed for direct interaction between students and
10 faculty per course, quarter, semester, or other term;

11 (C) The number of hours needed to be spent on evaluating written materials
12 prepared by students, such as distance education, papers, and examinations, per
13 course, quarter, semester, or other term;

14 (D) The number of group meetings per course, quarter, semester, or other
15 term;

16 (E) The faculty duties established by the institution as required under
17 subdivision (a)(2) of this section; and

18 (F) The number of hours per week or units per term considered full-time for
19 faculty in the institution.

20 (4) The faculty shall have sufficient expertise to support the institution's awarding of
21 a degree identifying a specialty or major field of emphasis, demonstrated by, at a
22 minimum:

23 (A) That the person possesses one of the following:

24 1. a degree from: an institution approved by the Bureau or previously
25 approved by a predecessor agency of the Bureau; or an accredited institution in the
26 United States or Canada; or other state approved institution that documents that the
27 institution at which the faculty member earned his or her degree is equivalent to an
28 institution that is approved by the Bureau; or an institution outside the United States
or Canada and in addition provides a comprehensive evaluation of the degree
performed by a foreign credential evaluation service that is a member of the
National Association of Credential Evaluation Services (NACES).

2. a credential generally recognized in the field of instruction.

(B) The degree, professional license, or credential possessed by the person
shall be at least equivalent to the level of instruction being taught or evaluated;

(5) The institution's faculty as a whole shall possess a diverse educational background
which shall be demonstrated in part by earned degrees from a variety of colleges and
universities or by credentials generally recognized in the field of instruction;

(6) When contracting for educational services, the institution shall maintain control
of, and responsibility for, all academic matters, and shall assure that the instruction
and faculty satisfy the standards established by the Act and this chapter;

(7) The institution shall not employ or continue to employ any faculty who were

1 adjudicated in a judicial or administrative proceeding as having violated any
2 provision of the Act or this chapter or as having committed any act that would
3 constitute grounds for the denial of a license under Section 480 of the Business and
4 Professions Code;

5 (8) Each institution shall have a written Academic Freedom Policy which describes
6 the latitude the institution allows faculty in the classroom so faculty will not
7 inadvertently violate the principles of academic freedom. These policies shall be
8 made available to any person upon request. The institution shall not take adverse
9 action based on a staff member's exercise of academic freedom consistent with the
10 institution's policy; and

11 (9) The institution shall maintain records documenting that each faculty member is
12 duly qualified and was qualified to perform the duties to which the faculty member
13 was assigned, including providing instruction, evaluating learning outcomes,
14 evaluating graduate dissertations, theses, and student projects, and participating on
15 doctoral committees.

16 18. California Code of Regulations, title 5, section 71750, subdivision (f), states that the
17 institution shall maintain a cancellation and withdrawal log, kept current on a monthly basis,
18 which shall include the names, addresses, telephone numbers, and dates of cancellations or
19 withdrawal of all students who have cancelled the enrollment agreement with, or withdrawn from,
20 the institution during the calendar year.

21 19. California Code of Regulations, title 5, section 71770, states, in pertinent part:

22 (a) The institution shall establish specific written standards for student admissions for
23 each educational program. These standards shall be related to the particular
24 educational program. An institution shall not admit any student who is obviously
25 unqualified or who does not appear to have a reasonable prospect of completing the
26 program. In addition to any specific standards for an educational program, the
27 admissions standards must specify as applicable that:

28 ...

(2) Each student admitted into a post-baccalaureate degree program shall
possess a bachelor's degree or its equivalent. If a graduate program leads to a
profession or an occupation requiring state licensure and the licensing agency does
not require that a member of the profession or occupation possess a Bachelor's
degree or its equivalent, this subdivision does not apply.

(b) The institution shall specify the maximum credit it will transfer from another
institution for each educational program, and the basis upon which the transferred
credit will be awarded.

...

(2) No more than 20% of graduate semester units or the equivalent in other
units awarded by another institution may be transferred for credit toward a Master's
degree. An institution may accept transfer credits only from the institutions of
higher learning described in subsection (1)(A).

1 20. California Code of Regulations, title 5, section 71800 states:

2 In addition to the requirements of section 94911 of the Code, an institution shall
3 provide to each student an enrollment agreement that contains at the least the
4 following information:

5 (a) The name and address of the institution and the addresses where instruction will
6 be provided.

7 (b) Period covered by the enrollment agreement.

8 (c) Program start date and scheduled completion date:

9 (d) Date by which the student must exercise his or her right to cancel or withdraw,
10 and the refund policy, including any alternative method of calculation if approved by
11 the Bureau pursuant to section 94921 of the Code.

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

13 (1) tuition;

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

15 (3) equipment;

16 (4) lab supplies or kits;

17 (5) Textbooks, or other learning media;

18 (6) uniforms or other special protective clothing;

19 (7) in-resident housing;

20 (8) tutoring;

21 (9) assessment fees for transfer of credits;

22 (10) fees to transfer credits;

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

24 (12) any other institutional charge or fee.

25 (f) Charges paid to an entity other than an institution that is specifically required for
26 participation in the educational program.

27 21. California Code of Regulations, title 5, section 71810 states:

28 (a) Each institution shall provide a catalog pursuant to section 94909 of the Code,
which shall be updated annually. Annual updates may be made by the use of
supplements or inserts accompanying the catalog. If changes in educational programs,
educational services, procedures, or policies required to be included in the catalog by
statute or regulation are implemented before the issuance of the annually updated
catalog, those changes shall be reflected at the time they are made in supplements or
inserts accompanying the catalog.

1 (b) The catalog shall contain the information prescribed by Section 94909 of the Code
and all of the following:

2 (1) The specific beginning and ending dates defining the time period covered
3 by the catalog;

4 (2) A statement of the institution's missions and purposes and the objectives
underlying each of its educational programs;

5 (3) If the institution admits students from other countries, whether visa
6 services are provided or whether the institution will vouch for student status, and
any associated charges;

7 (4) Language proficiency information, including:

8 (A) the level of English language proficiency required of students
9 and the kind of documentation of proficiency, such as the Test of English as
a Foreign Language (TOEFL), that will be accepted; and

10 (B) whether English language services, including instruction such as
11 ESL, are provided and, if so, the nature of the service and its cost;

12 (5) Whether any instruction will occur in a language other than English and,
13 if so, the level of proficiency required and the kind of documentation of proficiency,
such as the United States Foreign Service Language Rating System, that will be
accepted;

14 (6) The institution's policies and practices regarding any form of financial
15 aid, including all consumer information which the institution is required to disclose
to the student under any state or federal financial aid program;

16 (7) The institution's policies and procedures for the award of credit for prior
17 experiential learning, including assessment policies and procedures, provisions for
appeal, and all charges that a student may be required to pay;

18 (8) The institution's standards for student achievement;

19 (9) A description of the facilities and of the types of equipment and materials
20 that will be used for instruction;

21 (10) A description of library and other learning resources and the procedures
for student access to those resources;

22 (11) If the institution offers distance education, the approximate number of
23 days that will elapse between the institution's receipt of student lessons, projects, or
dissertations and the institution's mailing of its response or evaluation.

24 (12) A description of all student services;

25 (13) Housing information including all of the following:

26 (A) Whether the institution has dormitory facilities under its control;

27 (B) The availability of housing located reasonably near the
28 institution's facilities and an estimation of the approximate cost or
range of cost of the housing; and

1 (C) If the institution has no responsibility to find or assist a student in
2 finding housing, a clear and conspicuous statement so indicating. A
3 statement that the program is "non- residential" does not satisfy this
4 subparagraph.

5 (14) Policies on student rights, including the procedure for addressing
6 student grievances; and

7 (15) Policies on the retention of student records.

8 22. California Code of Regulations, title 5, section 71865, subdivision (a), states that a
9 Master's degree may only be awarded to a student who demonstrates at least the achievement of
10 learning in a designated major field that is equivalent in depth to that normally acquired in a
11 minimum of 30 semester credits or its equivalent or one year of study beyond the Bachelor's
12 degree.

13 23. California Code of Regulations, title 5, section 71920 states:

14 (a) The institution shall maintain a file for each student who enrolls in the institution
15 whether or not the student completes the educational service.

16 (b) In addition to the requirements of section 94900, the file shall contain all of the
17 following pertinent student records:

18 (1) Written records and transcripts of any formal education or training, testing, or
19 experience that are relevant to the student's qualifications for admission to the
20 institution or the institution's award of credit or acceptance of transfer credits
21 including the following:

22 (A) Verification of high school completion or equivalency or other
23 documentation establishing the student's ability to do college level work, such as
24 successful completion of an ability-to-benefit test;

25 (B) Records documenting units of credit earned at other institutions that
26 have been accepted and applied by the institution as transfer credits toward the
27 student's completion of an educational program;

28 (C) Grades or findings from any examination of academic ability or
educational achievement used for admission or college placement purposes;

(D) All of the documents evidencing a student's prior experiential learning
upon which the institution and the faculty base the award of any credit;

(2) Personal information regarding a student's age, gender, and ethnicity if that
information has been voluntarily supplied by the student;

(3) Copies of all documents signed by the student, including contracts, instruments
of indebtedness, and documents relating to financial aid;

(4) Records of the dates of enrollment and, if applicable, withdrawal from the
institution, leaves of absence, and graduation; and

1 (5) In addition to the requirements of section 94900(b) of the Code, a transcript
2 showing all of the following:

3 (A) The courses or other educational programs that were completed, or were
4 attempted but not completed, and the dates of completion or withdrawal;

5 (B) Credit awarded for prior experiential learning, including the course title
6 for which credit was awarded and the amount of credit;

7 (C) Credit for courses earned at other institutions;

8 (D) Credit based on any examination of academic ability or educational
9 achievement used for admission or college placement purposes;

10 (E) The name, address, website address, and telephone number of the
11 institution.

12 (6) For independent study courses, course outlines or learning contracts signed by
13 the faculty and administrators who approved the course;

14 (7) The dissertations, theses, and other student projects submitted by graduate
15 students;

16 (8) A copy of documents relating to student financial aid that are required to be
17 maintained by law or by a loan guarantee agency;

18 (9) A document showing the total amount of money received from or on behalf of
19 the student and the date or dates on which the money was received;

20 (10) A document specifying the amount of a refund, including the amount refunded
21 for tuition and the amount for other itemized charges, the method of calculating the
22 refund, the date the refund was made, and the name and address of the person or
23 entity to which the refund was sent;

24 (11) Copies of any official advisory notices or warnings regarding the student's
25 progress; and

26 (12) Complaints received from the student.

27 24. California Code of Regulations, title 5, section 71930 states:

28 (a) An institution shall maintain all records required by the Act and this chapter. The
records shall be maintained in this state.

(b)(1) In addition to permanently retaining a transcript as required by section
94900(b) of the Code, the institution shall maintain for a period of 5 years the
pertinent student records described in Section 71920 from the student's date of
completion or withdrawal.

(2) Notwithstanding (b)(1), the institution shall maintain records relating to federal
financial aid programs as provided by federal law.

(c) A record is considered current for three years following a student's completion or
withdrawal. A record may be stored on microfilm, microfiche, computer disk, or any
other method of record storage only if all of the following apply:

1 (1) The record may be stored without loss of information or legibility for the
period within which the record is required to be maintained by the Act;

2 (2) For a record that is current, the institution maintains functioning devices that
3 can immediately reproduce exact, legible printed copies of stored records. The
4 devices shall be maintained in reasonably close proximity to the stored records at the
5 institution's primary administrative location in California. For a record that is no
longer current, the institution shall be able to reproduce exact, legible printed copies
within two (2) business days.

6 (3) The institution has personnel scheduled to be present at all times during normal
7 business hours who know how to operate the devices and can explain the operation of
the devices to any person authorized by the Act to inspect and copy records; and

8 (4) Any person authorized by the Act or this chapter to inspect and copy records
shall be given immediate access to the document reproduction devices for the purpose
9 of inspecting and copying stored records and shall, upon request, reimburse the
10 institution for the reasonable cost of using the institution's equipment and material to
make copies at a rate not to exceed ten cents (\$0.10) per page.

11 (d) The institution shall maintain a second set of all academic and financial records
12 required by the Act and this chapter at a different location unless the original records,
including records stored pursuant to subdivision (b) of this section, are maintained in
13 a manner secure from damage or loss. An acceptable manner of storage under this
subsection would include fire resistant cabinets.

14 (e) All records that the institution is required to maintain by the Act or this chapter
15 shall be made immediately available by the institution for inspection and copying
during normal business hours by the Bureau and any entity authorized to conduct
investigations.

16 (f) If an institution closes, the institution and its owners are jointly and severally
17 responsible to arrange at their expense for the storage and safekeeping in California
of all records required to be maintained by the Act and this chapter for as long as
18 those records must be maintained. The repository of the records shall make these
records immediately available for inspection and copying, without charge except as
19 allowed under subdivision (c)(4) of this section, during normal business hours by any
entity authorized by law to inspect and copy records.

20 25. California Code of Regulations, title 5, section 76120, subdivision (a), states that each
21 qualifying institution shall collect a Student Tuition Recovery Fund (STRF) assessment of fifty
22 cents (\$.50) per one thousand dollars (\$1,000.00) of institutional charges, rounded to the nearest
23 thousand dollars, from each student in an educational program who is a California resident or is
24 enrolled in in a residency program. For institutional charges of one thousand dollars (\$1,000.00)
25 or less, the assessment is fifty cents (\$.50).

26 FACTUAL BACKGROUND

27 26. Respondent's original application requested approval for 24 programs, ranging from a
28 certificate program and associate degrees up to various bachelor's, master's and doctorate

1 degrees. During the appeal, Respondent revised the programs to just two degrees: a Master of
2 Business Administration (MBA) and a Master of Science in Computer Science (MSCS).

3 FIRST CAUSE FOR DENIAL OF APPLICATION

4 (Educational Program)

(Cal. Code Regs., tit. 5, § 71710)

5 27. Respondent's application is subject to denial because the institution's educational
6 program fails to meet minimum operating standards. (Cal. Code Regs., tit. 5, § 71710.) The
7 MBA program contains 38 courses but Respondent only provided 13 course syllabi; and the
8 MSCS curriculum contains 49 courses but Respondent only provided 15 course syllabi. In
9 addition, courses are not presented in a logically organized manner or sequence to students.

10 SECOND CAUSE FOR DENIAL OF APPLICATION

11 (Faculty)

(Cal. Code Regs., tit. 5, § 71720, subd. (a))

12 28. Respondent's application is subject to denial because the institution has not contracted
13 with qualified faculty for the requested programs. (Cal. Code Regs., tit. 5, § 71720, subd. (a).)
14 The institution's faculty members are teaching outside of their field of study. A faculty member
15 with a Master of Science in Mechanical Engineering is assigned to teach Fundamental Data
16 Structures and Algorithms for the MSCS program. The MBA program's four faculty members
17 are assigned to teach outside of their field as follows: N.B is assigned to teach 11 courses in fields
18 as diverse as Accounting, Marketing, Finance and Management; G.S. possesses a Master of Law
19 but is assigned to teach Human Resources Management, Green Business and Ethics, and Business
20 Analysis; G.T. only possesses a bachelor's degree but is assigned to teach an MBA course,
21 Global Risk Management; and R.G. possesses a Ph.D. in Humanities but is assigned to teach
22 Organizational Management.

23 THIRD CAUSE FOR DENIAL OF APPLICATION

24 (Withdrawals and Refunds)

(Cal. Code Regs., tit. 5, §§ 71750, subd. (f), 71920, and 71930)

25 29. Respondent's application is subject to denial because the institution fails to maintain
26 adequate student records regarding withdrawals and refunds. (Cal. Code Regs., tit. 5, §§ 71750,
27 subd. (f), 71920, and 71930.) When the visiting committee requested that Respondent provide a
28 list of withdrawn students for the last twelve months (September 26, 2012, to September 26,

1 2013), Narayan Baidya provided a list of three students. The records for the three students failed
2 to contain withdraw documents, refund calculations, or enrollment agreements.

3 FOURTH CAUSE FOR DENIAL OF APPLICATION
4 (Self-Monitoring Procedures)
5 (Cal. Code Regs., tit. 5, § 71320)

6 30. Respondent's application is subject to denial because its Self-Monitoring Procedure
7 (SMP) is inadequate to ensure compliance with the California Private Postsecondary Education
8 Act of 2009 and related regulations. (Cal. Code Regs., tit. 5, § 71320.) The institution provided
9 only an accreditation manual as its SMP.

10 FIFTH CAUSE FOR DENIAL OF APPLICATION
11 (Admission Standards and Transferred Credit Policy)
12 (Cal. Code Regs., tit. 5, §71770, subs. (a)(2) and (b)(2))

13 31. Respondent's application is subject to denial because the institution fails to meet
14 minimum operating standards regarding admissions standards and transferred credit policy. (Cal.
15 Code Regs., tit. 5, §71770, subs. (a)(2) and (b)(2).) The institution fails to document that its
16 MBA students have taken the required Graduate Record Examination (GRE); fails to evaluate
17 foreign transcripts to ensure a foreign student's baccalaureate degree is equivalent to a bachelor's
18 degree from the United States; allows more than 20 percent of units to transfer into its graduate
19 programs; and fails to have prerequisites for entry into the MSCS program by students who lack
20 an undergraduate degree in Computer Science.

21 SIXTH CAUSE FOR DENIAL OF APPLICATION
22 (Enrollment Agreement)

23 (Ed. Code §§ 94911, 94920, subd. (d); Cal. Code Regs., tit. 5, §§ 71800 and 76120, subd. (a))

24 32. Respondent's application is subject to denial because the institution's enrollment
25 agreement provided to the visiting committee fails to meet statutory and regulatory requirements.
26 (Ed. Code § 94911; Cal. Code Regs., tit. 5, § 71800.) The specific deficiencies of the enrollment
27 agreement are set forth below.

28 (A) Respondent failed to indicate the address where instruction would be provided. (Cal.
Code Regs., tit. 5, § 71800, subd. (a).)

(B) Respondent failed to indicate the period covered by the enrollment agreement. (Cal.
Code Regs., tit. 5, § 71800, subd. (b).)

1 (C) Respondent failed to specify the date by which the student must exercise his or her
2 right to cancel or withdraw. (Cal. Code Regs., tit. 5, § 71800, subd. (d).)

3 (D) Respondent failed to itemize the non-refundable registration fee. (Cal. Code Regs.,
4 tit. 5, § 71800, subd. (e)(2).)

5 (E) Respondent failed to itemize fees or charges for equipment. (Cal. Code Regs., tit. 5,
6 § 71800, subd. (e)(3).)

7 (F) Respondent failed to itemize fees or charges for tutoring. (Cal. Code Regs., tit 5, §
8 71800, subd. (e)(8).)

9 (G) Respondent failed to itemize assessment fees for transfer of credits. (Cal. Code
10 Regs., tit. 5, § 71800, subd. (e)(9).)

11 (H) Respondent failed to itemize or correctly calculate the STRF fee. (Cal. Code Regs.,
12 tit. 5, §§ 71800, subd. (e)(11) and 76120, subd. (a).)

13 (I) Respondent incorrectly calculated the STRF fee and included an incomplete STRF
14 STRF statement. (Ed. Code § 94911, subd. (b).)

15 (J) Respondent failed to include in underlined capital letters on the same page as the
16 student's signature the following information: total charges for the current period of attendance;
17 the estimated total charges for the entire educational program; and the total charges the student is
18 obligated to pay upon enrollment. (Ed. Code § 94911, subd. (c).)

19 (K) Respondent failed to disclose the correct pro rata refund requirement in its refund
20 policy. (Ed. Code §§ 94911, subd. (e)(2), and 94920, subd. (d).)

21 SEVENTH CAUSE FOR DENIAL OF APPLICATION

(Catalog)

22 (Ed. Code §§ 94909 and 94920, subd. (a); Cal. Code Regs., tit. 5, §§ 71810 and 76120, subd. (a))

23 33. Respondent's application is subject to denial because the institution's catalog
24 provided to the visiting committee fails to meet statutory and regulatory requirements. (Ed. Code
25 § 94909; Cal. Code Regs., tit. 5, § 71810.) The specific deficiencies of the catalog are set forth
26 below.

27 (A) Respondent failed to provide a statement of the institution's objective for each of the
28 institution's underlying programs. (Cal. Code Regs., tit. 5, § 71810, subd. (b)(2).)

1 (B) Respondent failed to describe the types of materials and equipment used for
2 instruction. (Cal. Code Regs., tit. 5, § 71810, subd. (b)(9).)

3 (C) Respondent failed to include a schedule of total charges for a period of attendance
4 and estimated schedule of total charges for the entire educational program. (Cal. Code Regs., tit.
5 5, § 71810, subd. (b)(7).)

6 (D) Respondent failed to describe procedures for student access to the library. (Cal. Code
7 Regs., tit. 5, § 71810, subd. (b)(10).)

8 (E) Respondent failed to specify admission requirements. (Ed. Code § 94909, subd.
9 (a)(8)(A).)

10 (F) Respondent failed to indicate whether the institution provides visa services. (Cal.
11 Code Regs., tit. 5, § 71810, subd. (b)(3).

12 (G) Respondent provided an incomplete STRF statement and incorrectly calculated the
13 student charges for the STRF. (Cal. Code Regs., tit. 5, §§ 71810, subd. (a)(14) and 76120, subd.
14 (a).)

15 (H) Respondent failed to disclose the correct pro rata refund requirement in its refund
16 policy. (Ed. Code §§ 94909, subd. (a)(8)(B) and 94920, subd. (d).)

17 (I) Respondent failed to provide housing information. (Cal. Code Regs., tit. 5, § 71810,
18 subd. (b)(13).)

19 (J) Respondent failed to provide policies on the retention of student records. (Cal. Code
20 Regs., tit. 5, § 71810, subd. (b)(15).)

21 EIGHTH CAUSE FOR DENIAL OF APPLICATION
22 (Minimum Educational Requirements in Order to Award a Graduate Degree)
(Cal. Code Regs., tit. 5, § 71865, subd. (a))

23 34. Respondent's application is subject to denial because the institution fails to meet
24 minimum educational requirements for awarding a graduate degree. (Cal. Code Regs., tit. 5, §
25 71865, subd. (a).) The institution's MSCS program lacks the rigor for a graduate degree and is
26 not equivalent to 30 semester credits of graduate study.

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NINTH CAUSE FOR DENIAL OF APPLICATION

(Maintenance and Production of Records)

(Ed. Code § 94900.5, subd. (b); Cal. Code Regs., §§ 71720, subd. (a)(9), 71920, and 71930)


35. Respondent's application is subject to denial for not meeting statutory and regulatory requirements regarding maintenance and production of records. (Ed. Code § 94900.5, subd. (b); Cal. Code Regs., §§ 71720, subd. (a)(9), 71920, and 71930.) The institution lacks a proper enrollment agreement; fails to properly evaluate an undergraduate degree or student projects in the student records; fails to keep required documentation in the student records; and keeps student withdrawal documentation separate from the remaining student records. In addition, the institution lacks documentation in its faculty records to show faculty members are qualified; and lacks contracts or tentative agreements in its faculty records to show that faculty members are contracted with the institution.

PRAYER

THEREFORE, Complainant requests that a hearing be held on the matters alleged in this Statement of Issues, and that following the hearing, the Director of the Department of Consumer Affairs issue a decision:

1. Denying the application for an Approval to Operate an Institution Not Accredited by Narayan Baidya, Owner of California Takshila University;
2. Taking such other and further action as deemed necessary and proper.

DATED: 10/17/14


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

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