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3 **DEPARTMENT OF CONSUMER AFFAIRS**
4 **STATE OF CALIFORNIA**

5
6 In the Matter of the Automatic Suspension of
7 Approval to Operate Degree Granting
8 Programs Directed to:

Case No.: BPPE24-0077

DECISION

8 AMERICAN VISION UNIVERSITY
9 Olix Global, Inc., Owner
10 155 N. Riverview Dr.
11 Anaheim Hills, CA 92808

School Code: 72482364

12 Applicant.

13
14 **INTRODUCTION**

15 Effective February 26, 2024, the Bureau for Private Postsecondary Education
16 (Bureau) automatically suspended the approval to operate degree programs issued
17 to American Vision University (University). The Bureau determined that the University
18 was subject to automatic suspension of approval to operate for failing to submit
19 evidence to the Bureau of having achieved accreditation status by November 27,
20 2023.

21 The Director of the Department of Consumer Affairs received from the
22 University a timely appeal of the Bureau's suspension order. The Director, or her
23 designee, is required to hear such appeals at an informal office conference. (Cal.
24 Code Regs., tit 15, § 71410, subd. (b).) An informal conference commenced on
25 April 17, 2024, before the Director's designee, Assistant Chief Counsel Michelle Angus.
26 Both parties submitted written argument and exhibits. Ahmad Alhalak, President and
27 CEO of the University, appeared on behalf of the University without counsel and
28 provided sworn testimony along with sworn testimony by Tonya Parker-Jones, Chief

1 Compliance Officer. Linh Nguyen appeared on behalf of the Bureau, and Drew
2 Saeteune, Bureau Senior Education Consultant, provided sworn testimony. At the
3 conclusion of the informal office conference, the matter was submitted for a final
4 decision.

5 After considering the evidence and argument submitted by the University and
6 the Bureau, the Bureau's order is AFFIRMED.

7 **FACTUAL AND PROCEDURAL BACKGROUND**

8 On November 27, 2018, the Bureau initially approved the University to operate.
9 While the University did submit an accreditation plan with Distance Education
10 Accrediting Commission (DEAC), the date on which it did so was not established. On
11 November 24, 2020, the University achieved pre-accreditation status with DEAC, just
12 two days before the deadline to do so.

13 The University was then required to submit a self-evaluation report to DEAC by
14 January 23, 2021. The University, however, did not submit its self-evaluation report to
15 DEAC until September 7, 2022. On October 4, 2022, DEAC performed an onsite visit
16 at the University, which the University admits was unsuccessful. The DEAC issued its
17 chair report on December 7, 2022, which demonstrated the University met very few
18 of the standards but rather either partially met or did not meet most standards.
19 Thereafter, the University withdrew its application for accreditation with DEAC. The
20 University did not inform the Bureau of the withdrawal of its application for
21 accreditation. On December 14, 2022, the Bureau requested an accreditation
22 update from the University.

23 On August 29, 2023, the University submitted a new application for
24 accreditation with DEAC; DEAC accepted the University's application on
25 October 25, 2023, and set December 24, 2023, as the deadline for the University to
26 submit its self-evaluation report. On October 27, 2023, the University submitted a
27 request to the Bureau for extension of time to achieve full accreditation. Thereafter,
28 the University requested an extension of time to submit its self-evaluation report, and

1 DEAC provided an extension until January 24, 2024. On January 18, 2024, the Bureau
2 notified the University that its request for an extension was denied because the
3 University failed to demonstrate strong progress towards obtaining accreditation.
4 The Bureau specifically based its decision denying the requested extension because
5 the University withdrew its accreditation application in December 2022 but did not
6 notify the Bureau of the withdrawal, failed to meet the December 24, 2023, deadline
7 for submitting its self-evaluation report to DEAC, and failed to achieve accreditation
8 by November 27, 2023.

9 On February 20, 2024, the University responded to the Bureau's denial of its
10 requested extension, explaining that the University had requested and received an
11 extension from DEAC until January 24, 2024, to submit its self-evaluation report. On
12 January 24, 2024, after the Bureau's denial of the requested extension to achieve
13 accreditation, the University submitted its self-evaluation report to DEAC. As of the
14 conclusion of this hearing, the University had not received a response from DEAC on
15 its self-evaluation report.

16 On February 1, 2024, the Bureau issued the subject Suspension Order to the
17 University, resulting in the suspension of the University effective February 26, 2024. The
18 Suspension Order (1) automatically suspended the University's ability to operate any
19 of its degree programs; (2) directed the University to cease enrolling new students; (3)
20 required the University to submit a degree closure plan within thirty days to the
21 Bureau; and (4) required the University to notify all students in writing of the
22 suspension and inform them of their rights during this time. On March 26, 2024, the
23 University appealed the Board's suspension order, asserting that with the submission
24 of its self-evaluation report, the University is on track to reach full accreditation by
25 November 27, 2025.

26 **LEGAL STANDARDS**

27 The University was required to submit evidence to the Bureau of having
28 achieved accreditation by November 27, 2023. Education Code section 94885.5,

1 subdivision (b)(3) provides that an institution shall provide evidence of obtaining full
2 accreditation within five years of its provisional approval to operate. Education
3 Code section 94885.5, subdivision (c)(2)(A) specifically allows an institution to
4 voluntarily cease pursuing accreditation, requiring the institution to immediately
5 notify the Bureau in writing of its intent to stop offering degree programs and such
6 notification constitutes a voluntary surrender of the degree programs. The Bureau
7 shall grant an extension of time, not to exceed a combined total of five years, to
8 reach accreditation where an institution timely provides sufficient evidence of
9 making “strong progress toward obtaining accreditation.” (Ed. Code, § 94885.5,
10 subd. (d)(1).) In order for the Bureau to grant such an extension, the institution shall
11 provide evidence:

12 **includ[ing]**, but ... not limited to, **an amended accreditation plan**
13 **adequately identifying why ... accreditation outlined in the original**
14 **plan submitted to the bureau was not achieved, active steps the**
15 **institution is taking to comply with this section, and documentation**
16 **from an accrediting agency demonstrating the institution’s likely**
17 **ability to meet the requirements of this section.**

18 (Ed. Code, § 94885.5, subd. (d)(2) [emphasis added].)

19 An institution that does not submit evidence to the Bureau of having achieved
20 accreditation by the dates provided, as required, “shall have its approval to operate
21 automatically suspended on the applicable date. The bureau shall issue an order
22 suspending the institution and that suspension shall not be lifted ...” (Ed. Code,
23 § 94885.5, subd. (e).) A suspended institution must cease enrolling students, provide
24 the Bureau with a degree program closure plan within 30 days, and provide notice to
25 currently enrolled students within five days. (Ed. Code, § 94885.5, subd. (c)(1); Cal.
26 Code Regs., tit. 5, §§ 71410, 74250.) The closure plan must include the following
27 elements:

- 28 (1) The date the institution stopped enrolling new students in its degree programs;
- (2) A list of contact information for all students currently enrolled in each degree program;

- 1 (3) A teach-out plan that includes a plan for the disposition of
2 student records and is compliant with the provision of Education
3 Code section 94927; and
4 (4) A copy of the notification to be provided to students.

5 (Cal. Code Regs., tit 5, § 74250, subd. (a).)

6 The notice to students must include the following elements:

- 7 (1) That the institution has received a notice of suspension from
8 the Bureau and may no longer offer degree programs;
9 (2) A teach-out plan, which shall provide, at a minimum, the
10 following information:
11 (A) The name and location of the institution(s) that is (are)
12 providing the teach-out;
13 (B) The date upon which the instruction at the teach-out
14 institutions will begin;
15 (C) How and when payments will be made to the new
16 institution and any relevant financial information; and
17 (D) Whom to contact at the new institution(s).
18 (3) That the student may choose not to participate in the teach-
19 out, and instead seek a refund for any classes the student is currently
20 enrolled in or has not yet completed.

21 (Cal. Code Regs., tit 5, § 74250, subd. (b).)

22 **DISCUSSION**

23 At hearing, the University's President and CEO, Ahmad Alhalak, appeared and
24 offered testimony in the matter. Notably, the University did not claim the Bureau had
25 erroneously denied the University's October 27, 2023, request for an extension of time
26 to achieve accreditation, but rather repeatedly requested an extension of time be
27 granted. The only evidence offered in support of the University's request for an
28 extension, however, is its January 24, 2024, submission of the self-evaluation report to
DEAC, which it submitted after the Bureau had already denied its request for an
extension of time to achieve accreditation. This is insufficient evidence to support the
granting of an extension of time as the evidence required to support a request for an
extension of time to achieve accreditation clearly outlined in Education Code
section 94885.5, subdivision (d)(2).

Specifically, Education Code section 94885.5, subdivision (d) clearly sets forth
the requirements for an extension of time. An institution may be granted an

1 extension of time to obtain full accreditation, not to exceed a combined total of five
2 years, with sufficient evidence the institution is making strong progress towards
3 accreditation. (Cal. Ed. Code, § 94885.5, subd. (d)(1).) Evidence submitted to the
4 Bureau in support of such an extension “shall” include (1) an amended accreditation
5 plan adequately identifying why accreditation outlined in the original was not
6 achieved; (2) active steps the institution is taking to comply with this section; and (3)
7 documentation from the accrediting agency demonstrating the institution’s likely
8 ability to achieve full accreditation. Not only did the University not provide any of this
9 information to the Bureau with its October 27, 2023, request for an extension to
10 achieve accreditation, it did not provide any of this information in its exhibits or
11 through testimony at the hearing. Indeed, the University did not provide any
12 evidence at the hearing of how the University could achieve full accreditation within
13 any time period other than Dr. Alhalak’s vague testimony that it could do so.
14 Accordingly, there was, and is, no basis for granting an extension of time.

15 Further, the University violated Education Code section 94885.5, subdivision
16 (c)(2)(A) by its failure to immediately inform the Bureau of its withdrawal of its
17 application for accreditation. Subdivision (c)(2)(A) states that where an institution
18 voluntarily stops seeking accreditation, it must immediately inform the Bureau in
19 writing of such and this constitutes a voluntary surrender of the degree programs.
20 Here, the University withdrew its accreditation application in or around December
21 2022, but, according to the provided evidence, did not inform the Bureau of this fact
22 until October 27, 2023, when it requested an extension of time to achieve
23 accreditation. While the University may not have wanted to cease pursuing
24 accreditation, that is exactly what it did when it withdrew its application and waited
25 at least eight months before reapplying for accreditation with DEAC on August 29,
26 2023. The University’s failure to inform the Bureau of its withdrawal of its accreditation
27 application, violated subsection (c)(2)(A). At a minimum, the University should have
28 promptly informed the Bureau of its withdrawal of its accreditation application and

1 worked with the Bureau to establish a new timeline for achieving each of the
2 accreditation benchmarks. Importantly, this is exactly what the Bureau requested in
3 its December 14, 2022, request for an update, which the University did not respond to
4 until it submitted its October 27, 2023, request for an extension of time to achieve
5 accreditation. The University's dealings in this manner further demonstrate its failure
6 to establish strong progress towards accreditation.

7 Because the University did not achieve accreditation by November 27, 2023,
8 and it is not eligible for an extension of time to achieve accreditation, the Bureau
9 appropriately suspended the University's approval to operate degree programs.

10 **DECISION**

11 The Bureau's Order Suspending Approval to Operate Degree Granting
12 Programs is AFFIRMED.

13
14 DATED May 3, 2024

Michelle L. Angus

MICHELLE L. ANGUS
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