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7

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

10
11 In the Matter of the Statement of Issues
Against:

Case No. 998895

12 **GLOBAL TV UNIVERSITY**
13 **405 Boulder Ct., #700**
14 **Pleasanton, CA 94566**

STATEMENT OF ISSUES

15 Respondent.

16 Complainant alleges:

17 **PARTIES**

18 1. Joanne Wenzel (Complainant) brings this Statement of Issues solely in her official
19 capacity as the Chief of the Bureau for Private Postsecondary Education (Bureau), Department of
20 Consumer Affairs.

21 2. On or about March 7, 2012, the Bureau received an application for Approval to
22 operate a non-accredited institution from Global TV University, Inc. (Respondent). On or about
23 February 28, 2012, Chang Gui Su¹ certified under penalty of perjury to the truthfulness of all
24 statements, answers, and representations in the application. The Bureau denied the application on
25 April 18, 2013.

26 _____
27 ¹ Respondent's application lists Chang Gui Su as the owner of Respondent Global TV
28 University, Inc. As is fully explained in the First Cause for Discipline, herein, it appears that
Chang Gui Su is not truly the owner, or the sole owner, of the corporation.

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JURISDICTION AND AUTHORITY

3. This Statement of Issues is brought before the Director of the Department of Consumer Affairs (Director), under the authority of the following laws. All section references are to the Education Code unless otherwise indicated.

STATUTES AND REGULATIONS

4. California Business and Professions Code, section 480, states, in pertinent part:

(a) A board² may deny a license regulated by this code on the grounds that the applicant has one of the following:

...

(2) Done any act involving dishonesty, fraud, or deceit with the intent to substantially benefit himself or herself or another, or substantially injure another.

(3) (A) Done any act that if done by a licentiate of the business or profession in question, would be grounds for suspension or revocation of license.

(B) The board may deny a license pursuant to this subdivision only if the crime or act is substantially related to the qualifications, functions, or duties of the business or profession for which application is made.

...

(c) A board may deny a license regulated by this code on the ground that the applicant knowingly made a false statement of fact required to be revealed in the application for the license.

5. Section 94886 of the Code states:

Except as exempted in Article 4 (commencing with Section 94874) or in compliance with the transition provisions in Article 2 (commencing with Section 94802), a person shall not open, conduct, or do business as a private postsecondary educational institution in this state without obtaining an approval to operate under this chapter.

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² California Business and Professions Code section 477(a) defines a "board" as including a "bureau," "commission," "committee," "department," "division," "examining committee," "program," and "agency."

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6. Section 94887 of the Code states:

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

7. Section 94897 of the Code states, in pertinent part:

An institution shall not do any of the following:

...

(j) In any manner make an untrue or misleading change in, or untrue or misleading statement related to, a test score, grade or record of grades, attendance record, record indicating student completion, placement, employment, salaries, or financial information, including any of the following:

- (1) A financial report filed with the bureau.
- (2) Information or records relating to the student's eligibility for student financial aid at the institution.
- (3) Any other record or document required by this chapter or by the bureau.

...

(l) Use the terms "approval," "approved," "approval to operate," or "approved to operate" without stating clearly and conspicuously that approval to operate means compliance with state standards as set forth in this chapter. If the bureau has granted an institution approval to operate, the institution may indicate that the institution is "licensed" or "licensed to operate," but may not state or imply either of the following:

- (1) The institution or its educational programs are endorsed or recommended by the state or by the bureau.
- (2) The approval to operate indicates that the institution exceeds minimum state standards as set forth in this chapter.

...

1 to Section 94890(a)(1) of the Code shall comply with section 71390.

2 (b) An applicant shall submit the completed form, the information or documentation
3 required by this Article, the appropriate application fee as provided in Section 94930.5(a)(1) of
4 the Code, and any appropriate annual fee as required by Article 1 of Chapter 5 of this Division, to
5 the Bureau.

6 (c) An application that fails to contain all of the information required by this article shall
7 render it incomplete.

8 11. California Code of Regulations, Title 5, section **71110**, states:

9 An institution shall provide the following information on the Form Application 94886:

10 (a) The name, telephone number, fax number and website address of the institution.

11 (b) The address of the institution's primary administrative location in California identified
12 by street address. The institution's primary administrative location in California shall be deemed
13 the institution's principal place of business.

14 (c) The mailing address of the institution, identified either by street address or by post
15 office box number.

16 (d) The street address of each campus and branch at which the educational programs will be
17 offered, including the identification of the institution's main location and branch locations. If an
18 institution is applying for a branch in conjunction with the main location, all required information
19 must be provided for each location.

20 (e) The name, address, email address, fax number and phone number of an individual who
21 will function as the institution's contact person for the purposes of the Form Application 94886.

22 (f) The social security number for individuals or federal employer identification number for
23 each partnership who is identified in the Form Application 94886 pursuant to section 71130(a)(1).

24 12. California Code of Regulations, Title 5, section **71130**, states:

25 (a)(1) The institution shall identify the name, address, email address, and telephone number
26 of each person, as defined in section 94855 of the Code, who owns or controls 25% or more of
27 the stock or an interest in the institution and, to the extent applicable, each general partner,
28 officer, corporate director, member of the board of directors and any other person who exercises

1 substantial control over the institution's management or policies. For the purpose of this
2 paragraph, a person exercises "substantial control over the institution's management or policies"
3 if the person has the authority to cause the institution to expend money or incur debt in the
4 amount of five thousand dollars (\$5,000) or more in any year.

5 (2) For each address required, the institution shall provide a physical home address, and
6 may request that the address, email address, and telephone number, of each person described in
7 paragraph (1) be maintained as personal information.

8 (b) The institution shall describe the nature and percentage of the ownership interest and
9 any other financial involvement in the institution of any person identified in subdivision (a) of
10 this section.

11 (c) The institution shall provide a statement from any person identified in subdivision (a) of
12 this section who -

13 (1) Was found in any judicial or administrative proceeding to have violated the Act or the
14 law of any other state related to untrue or misleading advertising, the solicitation of prospective
15 students for enrollment in an educational service, or the operation of a postsecondary school;

16 (2) Was denied any type of license on grounds set forth in Section 480 of the Business and
17 Professions Code;

18 (3) Was adjudicated as responsible for the closure of an institution in which there were
19 unpaid liabilities to the state or federal government or any uncompensated pecuniary losses
20 suffered by students;

21 (4) Has stipulated to a judgment or administrative order or entered a consent decree
22 involving any of the matters described in this section.

23 (5) Was convicted of any misdemeanor or felony as provided in Section 480(a)(1) of the
24 Business and Professions Code;

25 (d) The institution shall furnish an explanation of any legal action pending against the
26 institution or ownership or any of the institution's owners, officers, corporate directors,
27 administrators, or instructors by any federal, state, or local law enforcement agency involving
28 alleged acts of fraud, dishonesty, financial mismanagement, unpaid liabilities to any

1 governmental agency or claims for pecuniary loss suffered by any student.

2 13. California Code of Regulations, Title 5, section 71210, states, in pertinent part:

3 ...

4 (c) In addition, the institution shall list the following for each educational program offered:

5 ...

6 (5) The method of instruction;

7 ...

8 14. California Code of Regulations, Title 5, section 71220, states, in pertinent part:

9 For each educational program that the institution offers or proposes to offer, the Form
10 Application 94886 shall contain a statement that the educational program meets the requirements
11 of section 71710, as well as the following:

12 ...

13 (e) A description of the learning, skills, and other competencies to be acquired by students
14 who complete the educational program.

15 15. California Code of Regulations, Title 5, section 71240, states:

16 (a) The Form Application 94886 shall contain a statement that the institution has and can
17 maintain the financial resources required pursuant to section 71745.

18 (b) The institution shall submit current, reviewed financial statements at the time it applies
19 for approval to operate. Each set of financial statements shall comply with Section 74115 of this
20 chapter.

21 16. California Code of Regulations, Title 5, section 71270 states:

22 The Form Application 94886 shall include a description of library holdings, services, and
23 other learning resources, including policies and procedures for supplying them to students who do
24 not receive classroom instruction. The description need not consist of a list of each holding. The
25 description shall include an explanation of how the library and other learning resources are
26 sufficient to support the instructional needs of students and, if no facilities exist at the institution,
27 how and when students may obtain access to a library and other learning resources as required by
28 the curriculum.

1 17. California Code of Regulations, Title 5, section 71340(a), states:

2 (a) The institution shall include in the Form Application 94886 any material facts, which
3 have not otherwise been disclosed in the Form Application 94886 that without inclusion would
4 cause the information in the Form Application 94866 to be false, misleading or incomplete or that
5 might reasonably affect the Bureau's decision to grant an approval to operate. In this context, a
6 fact would be "material" if it would alter the Bureau's determination concerning the institution's
7 ability to comply with any applicable provisions of the Act.

8 18. California Code of Regulations, Title 5, section 71400.5 states:

9 (a) The inclusion of false or misleading information, or the intentional or negligent
10 omission of pertinent information on any application may result in the denial of the application or
11 a delay in processing, and may be grounds for action pursuant to Article 18 of the Act.

12 (b) In addition to denying an application pursuant to section 94887 of the Code, the Bureau
13 may deny any application based on any act that constitutes grounds for the denial of a license
14 under Section 480 of the Business and Professions Code, incorporated herein by reference.

15 (c) The proceedings under this section shall be conducted in accordance with Chapter 5
16 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

17 19. California Code of Regulations, Title 5, section 71705 states:

18 An institution shall have a written statement of its mission and the objectives for each
19 educational program. The mission and the objectives shall indicate the kind of education offered,
20 for whom the instruction is intended and the expected outcomes for graduates.

21 20. California Code of Regulations, Title 5, section 71715 states, in pertinent part:

22 ...

23 (d) Distance education as defined in section 94834 of the Code, does not require the
24 physical presence of students and faculty at the same location but provides for interaction
25 between students and faculty by such means as telecommunication, correspondence, electronic
26 and computer augmented educational services, postal service, and facsimile transmission. In
27 addition to the other requirements of this chapter and the Act, an institution offering distance
28 education shall:

1 (1) ensure that the educational program offered through distance education is appropriate
2 for delivery through distance education methods;

3 (2) assess each student, prior to admission, in order to determine whether each student has
4 the skills and competencies to succeed in a distance education environment;

5 (3) ensure that the materials and programs are current, well organized, designed by faculty
6 competent in distance education techniques and delivered using readily available, reliable
7 technology;

8 (4) provide for meaningful interaction with faculty who are qualified to teach using distance
9 education methods;

10 (5) maintain clear standards for satisfactory academic progress;

11 (6) timely complete student evaluations of learning outcomes by duly qualified faculty,
12 which are appropriate for use with the distance education methods used, and evaluated by duly
13 qualified faculty.

14 (7) employ a sufficient number of faculty to assure that (A) the institution's response to, or
15 evaluation of, each student lesson is returned to the student within 10 days after the lesson is
16 received by the institution; and (B) the institution's response to, or evaluation of, each student
17 project or dissertation is returned to the student within the time disclosed in the catalog; and

18 (8) shall maintain a record of the dates on which lessons, projects, and dissertations were
19 received and responses were returned to each student.

20 21. California Code of Regulations, Title 5, section 71720 states:

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

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

27 (2) Each institution shall develop and implement written policies and procedures providing
28 for the participation by duly qualified faculty in the conducting of research, development of

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9 (7) The institution shall not employ or continue to employ any faculty who were
10 adjudicated in a judicial or administrative proceeding as having violated any provision of the Act
11 or this chapter or as having committed any act that would constitute grounds for the denial of a
12 license under Section 480 of the Business and Professions Code;

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

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

22 (b) Instructors in an Educational Program Not Leading to a Degree.

23 (1) An institution shall employ instructors who possess the academic, experiential and
24 professional qualifications to teach, including a minimum of three years of experience, education
25 and training in current practices of the subject area they are teaching. If an instructor does not
26 possess the required three years of experience, education and training in the subject area they are
27 teaching, the institution shall document the qualifications the instructor possesses that are
28 equivalent to the minimum qualifications.

1 (2) Each instructor shall maintain their knowledge by completing continuing education
2 courses in his or her subject area, classroom management or other courses related to teaching.

3 (3) The institution shall not employ or continue to employ an instructor who was
4 adjudicated in a judicial or administrative proceeding as having violated any provision of the Act
5 or this chapter, or as having committed any act that would constitute grounds for the denial of a
6 license under Section 480 of the Business and Professions Code.

7 22. California Code of Regulations, Title 5, section 71740 states:

8 (a) A degree granting institution shall make available for student use a library and other
9 learning resources.

10 (b) An institution shall provide or make provisions for the library and other learning
11 resources needed to support each educational program it offers, including resources such as
12 reference works, periodicals, monographs, and media and equipment specific to the educational
13 programs offered.

14 (c) An institution shall describe onsite library and other learning resources, if any, that
15 enable students to pursue inquiries, searches for information and documentation, and assignments
16 connected with their study programs.

17 (d) An institution that depends for library and other learning resources primarily on other
18 institutions' collections and resources not in its possession shall do all of the following:

19 (1) Describe those library and other learning resources, in the application and catalog.

20 (2) Provide students and faculty with access to the regular services of a professional
21 librarian or information specialist experienced in the electronic retrieval of information, who shall
22 provide support for faculty in curriculum matters and actively serve as a resource guide for both
23 graduate and undergraduate students.

24 (3) Assure that students have access to the library collections and resources of another
25 institution, organization, or library.

26 (4) Document compliance with paragraphs (1), (2), and (3).

27 23. California Code of Regulations, Title 5, section 71750 states, in pertinent part:

28 . . .

1 (c) A pro rata refund pursuant to section 94919(c) or 94920(d) or 94927 of the Code shall
2 be no less than the total amount owed by the student for the portion of the educational program
3 provided subtracted from the amount paid by the student, calculated as follows:

4 (1) The amount owed equals the daily charge for the program (total institutional charge,
5 divided by the number of days or hours in the program), multiplied by the number of days student
6 attended, or was scheduled to attend, prior to withdrawal.

7 . . .

8 24. California Code of Regulations, Title 5, section 71770 states, in pertinent part:

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

14 (1) Each student admitted to an undergraduate degree program, or a diploma program, shall
15 possess a high school diploma or its equivalent, or otherwise successfully take and pass the
16 relevant examination as required by section 94904 of the Code.

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

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

24 (1) Except as limited by subdivision (c) of this section, a maximum of 75 percent of the
25 units or credit that may be applied toward the award of a bachelor's degree may be derived from a
26 combination of any or both of the following:

27 (A) Units earned at institutions approved by the Bureau, public or private institutions of
28 higher learning accredited by an accrediting association recognized by the U. S. Department of

1 Education, or any institution of higher learning, including foreign institutions, if the institution
2 offering the undergraduate program documents that the institution of higher learning at which the
3 units were earned offers degree programs equivalent to degree programs approved by the Bureau
4 or accredited by an accrediting association recognized by the U.S. Department of Education.

5 . . .

6 25. California Code of Regulations, Title 5, section **71810** states, in pertinent part:

7 . . .

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

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

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

14 . . .

15 26. California Code of Regulations, Title 5, section **71865** states, in pertinent part:

16 . . .

17 (b) A professional Doctoral degree may only be awarded to a student who has completed a
18 prescribed level of study normally requiring a minimum of three academic years of full-time
19 graduate study or the equivalent in part-time study; or, if the program leads to a profession or
20 occupation requiring state licensure, which satisfies the requirements of the state agency. The
21 degree shall include the name of the field in which it is offered (e.g., Juris Doctor or Doctor of
22 Music).

23 (c)(1) A Doctor of Philosophy degree (Ph.D.) is a research-oriented degree requiring a
24 minimum of three years of full-time graduate education or the equivalent in part-time study. Such
25 a doctoral program shall include substantial instruction in both theory and research at an
26 advanced level in a designated field and specialty, and may only be awarded to a student who has
27 completed a program of study that includes research methodology and demonstrated learning
28 achievement through original research directly attributable to the student. Each educational

1 program leading to a Doctor of Philosophy degree shall involve preparation for scholarship and
2 systematic inquiry.

3 (2)(A) Each Doctor of Philosophy program shall include a minimum of two formal
4 evaluations of the student by a doctoral committee. The doctoral committee shall be composed of
5 at least three members of the institution's own faculty who meet the qualifications in subdivision
6 (c)(3).

7 (B) The first evaluation shall consider the student's qualifications, including the student's
8 knowledge, skills, and conceptual framework, for undertaking rigorous inquiry into the student's
9 designated field.

10 (C) The second evaluation shall consider the design procedures and products of a formal
11 original inquiry proposed and completed by the student.

12 (3) The faculty members who serve on each student's doctoral examining committee shall
13 meet the following qualifications:

14 (A) Each member shall have earned a Doctoral degree from: an institution that is approved
15 by the Bureau or previously approved by a predecessor agency of the Bureau; or an accredited
16 institution in the United States or Canada; or other state approved institution that documents that
17 the institution at which the faculty member earned his or her degree is equivalent to an institution
18 that is approved by the Bureau; or an institution outside the United States or Canada and in
19 addition provides a comprehensive evaluation of the degree performed by a foreign credential
20 evaluation service that is a member of the National Association of Credential Evaluation Services
21 (NACES).

22 (B) The chair and the majority of the committee shall have earned degrees related to the
23 student's field of investigation.

24 (C) A minimum of 50% of the faculty on the committee shall have degrees conferred by an
25 institution accredited by an accrediting association recognized by the United States Department of
26 Education or the American Bar Association, unless the accreditation does not exist.

27 (D) All of the faculty shall have three or more years of field or research experience related
28 to their degrees obtained after they obtained their degrees.

1 (E) All of the faculty shall have been active in their field of scholarship or profession during
2 the five year period preceding their participation on the committee.

3 ...

4 **FIRST CAUSE FOR DENIAL OF APPLICATION**

5 (False Statements/Failure to Disclose Material Facts)

6 27. Respondent's application is subject to denial pursuant to Business and Professions
7 Code section 480 and Education Code sections 94887 and 94897(j), and pursuant to California
8 Code of Regulations, Title 5, sections 71130, 71340, 71400.5, in that it made misleading
9 statements and failed to disclose material information in its application. The circumstances are as
10 follows:

11 28. California Code of Regulations, Title 5, section 71130(a), states: "[A] person
12 exercises 'substantial control over the institution's management or policies' if the person has the
13 authority to cause the institution to expend money or incur debt in the amount of five thousand
14 dollars (\$5,000.00) or more in any year."

15 29. Question 3.1 of the Application states: "List all people who own or control 25% or
16 more of the stock of interest in the Institution or any other person who exercises substantial
17 control over the institution's management or policies, or any other financial involvement in the
18 institution."

19 30. In response to Question 3.1 of the application, Respondent disclosed only Chang Gui
20 Su, listed as the Owner, and failed to list Susan Su as an owner, officer or other person who
21 exercises substantial control over the institution's management or policies.

22 31. Contrary to Respondent's assertion in answer to Question 3.1, elsewhere in the
23 application Susan Su is listed as the corporation's official contact person and institutional
24 representative. Ms. Su also was the remitter on the \$5,000.00 check submitted by the corporation
25 with its application. Ms. Su is listed in the corporation's Articles of Incorporation as the Owner,
26 Chief Executive Officer, Chief Academic Officer, sole Board Member and initial agent for
27 service of process. The Articles of Incorporation do not list Chang Gui Su as an owner or officer.
28 Ms. Su is listed in the corporation's application as a member of Respondent's faculty. In

1 correspondence with the Bureau, Ms. Su signed letters as President of Global TV University. Ms.
2 Su also owns the building where Global TV University is located, and leases space to the
3 corporation therein.

4 32. Question 3.2 of the Application requires disclosure if any person set forth in question
5 3.1 was ever denied a license on grounds set forth in Business and Professions Code section 480.
6 Respondent failed to disclose any such information. In actuality, Susan Su, acting on behalf of
7 Tri-Valley University, was denied an application for approval to operate an accredited institution
8 in 2011, based on failure to establish accreditation and on the commission of acts of dishonesty.

9 33. Question 3.3 of the Application states: "Provide an attachments(s) explaining any
10 legal action pending against the institution or ownership or any of the institution's owners,
11 officers, corporate directors administrators or instructors by any federal, state, or local law
12 enforcement agency involving alleged acts of fraud, dishonesty, financial mismanagement,
13 unpaid liabilities to any governmental agency or claims for pecuniary loss suffered by any
14 student."

15 34. Respondent did not disclose any information in response to Question 3.3, and in so
16 doing failed to disclose and explain the fact that Susan Su, who is an owner, officer, administrator
17 and faculty member, is currently the defendant in a pending federal criminal prosecution, in
18 Northern District of California Case Number CR11-00288. The case involves charges of mail
19 fraud, conspiracy, visa fraud and other crimes allegedly committed by Ms. Su in her operation of
20 Tri-Valley University in Pleasanton, California. The application further failed to disclose and
21 explain that Ms. Su's building, the current location of Global TV University's leasehold, is the
22 subject of a pending forfeiture action, U.S. District Court, Northern District of California, Case
23 No. 11-CV-0258, based on Ms. Su's conduct as alleged in the pending criminal action.

24 **SECOND CAUSE FOR DENIAL OF APPLICATION**

25 (Acts of Dishonesty, Fraud or Deceit)

26 35. Respondent's application is subject to denial pursuant to Business and Professions
27 Code sections 480, subsections (a)(2) and (a)(3), and Education Code section 94887, in that Susan
28 Su, who is the Owner, Chief Executive Officer, Chief Academic Officer and sole Board Member

1 of Respondent Global TV University, has committed acts of dishonesty, fraud or deceit with the
2 intent to substantially benefit herself or another, and acts which, if done by a licentiate, would be
3 grounds for revocation of a license. The circumstances are as follows:

4 36. On or about January 19, 2011, Susan Su was interviewed by Department of
5 Homeland Security agents. During her interview, Ms. Su made the following admissions:

6 A. Ms. Su admitted that she had submitted a form to the Department of Homeland
7 Security in which she had knowingly and falsely listed individuals as Designated School Officials
8 for Tri-Valley University when, in truth, these individuals did not act in that capacity.

9 B. Ms. Su admitted that she had submitted a form to the Department of Homeland
10 Security in which she had knowingly and falsely listed 22 individuals as professors at Tri-Valley
11 University when, in truth, none of the individuals actually acted in that capacity.

12 C. Ms. Su admitted that she regularly had her staff at Tri-Valley University list false
13 student addresses in Sunnyvale to facilitate the process of obtaining visas for those students to
14 remain in the United States and attend Tri-Valley University.

15 D. Ms. Su admitted that she had instructed her staff at Tri-Valley University to falsify
16 grades on students' transcripts.

17 E. Ms. Su admitted that she had made large withdrawals from the bank account of Tri-
18 Valley University including, but not limited to, \$36,783.61 for the purchase of a Mercedes-Benz
19 automobile, \$30,000.00 as a gift for her daughters, and \$75,000.00 as a payment to her spouse.

20 F. Ms. Su admitted that she had falsified transcripts, letters, attendance sheets and
21 federal forms in order to assist individuals in obtaining visas to be in the United States.

22 ///

23 **THIRD CAUSE FOR DENIAL OF APPLICATION**

24 (Failure to Meet Minimum Operating Standards)

25 37. Respondent's application is subject to denial pursuant to Education Code sections
26 94887 and pursuant to California Code of Regulations, Title 5, sections 71110, 71400, 71400.5
27 and 71700, in that it failed to establish compliance with minimum operating standards. The
28 circumstances are as follows:

1 Mission and Objectives Statement:

2 38. Respondent failed, in violation of Regulation 71705,³ to provide a written statement
3 of objectives consistent with the fact that Respondent's mission is to be a distance education
4 institution.

5 Instruction and Degrees:

6 39. Respondent's application and catalog state that students may transfer nine units from
7 another institution to count toward a master's degree. This policy violates Regulation
8 71770(b)(2), which limits transferred hours to 20% of graduate semester units.

9 40. Respondent's application and catalog state that hours may be transferred from a
10 "recognized" institution, but fail, in violation of Regulation 71770(b)(1)(A), to consistently
11 explain that such a "recognized" institution would be one that is approved by the Bureau and/or a
12 qualified accrediting association.

13 41. Section 13 of Respondent's application sets forth learning skills for the Master of
14 Computer Science and Engineering Program which do not correspond to that educational
15 program, in violation of Regulation 71220(e).

16 42. Respondent's list of courses and degree programs fails to comply with Regulation
17 71865(c)(1) in that it lacks sufficient specificity to allow the Bureau to determine which courses
18 pertain to Master's programs and which courses pertain to Ph.D. programs.

19 43. Respondent's application fails, in violation of Regulation 71865(c)(2), to specify
20 whether a doctoral committee exists, or whether a doctoral degree in philosophy requires a
21 minimum of two formal evaluations by a doctoral committee.

22 44. Respondent's application fails, in violation of Regulation 71865(b), to specify
23 requirements for graduation for a Master of Science degree, a Ph.D. in Engineering and Computer
24 Science or a Ph.D. in Engineering.

25 Catalog:

26 45. The cover of Respondent's catalog fails, in violation of Regulation 71810(b)(1), to set

27 ³ All citations to regulations pertain to regulations set forth in Title 5 of the California
28 Code of Regulations.

1 forth specific dates of coverage, as opposed to merely stating a range of years.

2 46. Respondent's catalog provides that the Bureau has approved the institution to operate
3 but fails, in violation of Code section 94897(1), to clearly and conspicuously state that approval to
4 operate merely means compliance with state standards.

5 47. Respondent's catalog, in the "Ability to Benefit Criteria" section, improperly states
6 that the institution has criteria to accept students who do not meet established admissions criteria.
7 This language is in violation of Code section 94904, which requires an independently
8 administered examination for such admission, and is a violation of Regulation 71770(a).

9 48. Respondent's catalog provides for refunds grouped by weeks of completion, rather
10 than by days or hours of completion, in violation of Regulation 71750(c)(1).

11 49. Respondent's catalog fails, in violation of Regulation 71810(b)(2), to adequately
12 specify missions, purposes and objectives for its MSEE, Ph.D. in EE, CD, MBA and Ph.D. in BA
13 programs.

14 50. Respondent's catalog fails, in violation of Code section 94909(a)(9), to specify the
15 total charges for a period of attendance and an estimated schedule of total charges for the entire
16 educational program.

17 51. Respondent's catalog specifies in its attendance policy that students are to attend
18 classes either on-site or through online class. This policy contradicts Respondent's stated policy
19 of "indirect" (i.e., off-site) learning, thereby violating Code section 94909(a)(4) and Regulation
20 71210(c)(5).

21 52. Respondent's catalog specifies that a Ph.D. program must be completed within two
22 years, thereby violating Regulation 71865(c)(1), which specifies a minimum of three years.

23 Faculty:

24 53. Respondent has failed to provide sufficient evidence that the faculty listed in its
25 application are actually employed by the institution, a violation of Regulation 71720(a).

26 54. Respondent has failed to provide sufficient evidence that the faculty listed in its
27 application would qualify to serve on and constitute a dissertation committee as required by
28 Regulation 71865(c)(3), subsections (A) through (E).

1 55. Respondent has failed to list sufficient faculty for an MBA program, a violation of
2 Regulation 71720(a)(1).

3 56. Respondent has failed to establish that the faculty listed in its application meet
4 minimum qualifications, as required by Regulation 71720(a)(4).

5 57. Respondent has failed to provide evidence that the instructors are duly qualified to
6 perform duties to which they are assigned, as required by Regulation 71720(a)(9).

7 Library:

8 58. Respondent has failed to prove that it has a library sufficient to support the programs
9 that are proposed, and has failed to prove that it can provide access to a professional librarian or
10 information specialist experienced in the electronic retrieval of information, as required by
11 Regulations 71270 and 71740.

12 Distance Education:

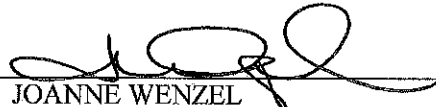
13 59. Respondent has failed to establish that its programs and materials for distance
14 education are sufficiently current, well organized and well designed, and that the program was
15 designed by faculty competent in distant education techniques, for delivery by use of readily
16 available, reliable technology, as required by Regulation 71715(d).

17 PRAYER

18 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
19 and that following the hearing, the Director of the Department of Consumer Affairs issue a
20 decision:

- 21 1. Denying the application of Global TV University, Inc., for Approval to Operate;
22 2. Taking such other and further action as deemed necessary and proper.

23 DATED: August 21, 2013

24 
25 JOANNE WENZEL
26 Bureau for Private Postsecondary Education
27 Department of Consumer Affairs
28 State of California
Complainant