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

13 In the Matter of the Accusation Against:
14 **DOLPHIN TRUCKING SCHOOL,**
15 **DOLPHIN TRUCKING SCHOOL, INC.,**
16 **CARLA GALVEZ, OWNER**
17 **3668 S. Soto St.**
18 **Vernon, CA 90058**
19 **Approval to Operate Institution Code No.**
20 **36348745**

Case No. 1006582

FIRST AMENDED ACCUSATION

Respondent.

21 **PARTIES**

22 1. Deborah Cochrane (Complainant) brings this First Amended Accusation solely in her
23 official capacity as the Chief of the Bureau for Private Postsecondary Education, Department of
24 Consumer Affairs.

25 2. On or about October 29, 2004, the Bureau for Private Postsecondary Education
26 (Bureau) issued a temporary Approval to Operate Institution Code Number 36348745 to Dolphin
27 Trucking School, Dolphin Trucking School, Inc., Carla Galvez (respondent or Dolphin or school).
28 On or about May 16, 2006, the Bureau issued a full Approval to Operate Institution Code Number
36348745 to respondent. The Approval to Operate Institution Code Number 36348745 was in

1 full force and effect at all times relevant to the charges brought herein and expired on October 13,
2 2022.

3 **JURISDICTION**

4 3. This Accusation is brought before the Director of the Department of Consumer
5 Affairs (Director) for the Bureau for Private Postsecondary Education, under the authority of the
6 following laws. All section references are to the Education Code (Code) unless otherwise
7 indicated.

8 4. Code section 94937 provides, in pertinent part:

9 (a) As a consequence of an investigation, which may incorporate any
10 materials obtained or produced in connection with a compliance inspection, and
11 upon a finding that an institution has committed a violation, the bureau may place
12 an institution on probation or may suspend or revoke an institution's approval to
operate for:

12 ...

13 (2) A material violation or repeated violation of this chapter or regulations
14 adopted pursuant to this chapter that have resulted in harm to students. For
15 purposes of this paragraph, "material violation" includes, but is not limited to,
16 misrepresentation, fraud in the inducement of a contract, and false or misleading
claims or advertising, upon which a student reasonably relied in executing an
enrollment agreement and that resulted in harm to the student.

17 5. Section 118, subdivision (b), of the Code provides that the
18 suspension/expiration/surrender/cancellation of a license shall not deprive the
19 Board/Registrar/Director of jurisdiction to proceed with a disciplinary action during the period
20 within which the license may be renewed, restored, reissued or reinstated.

21 **STATUTORY PROVISIONS**

22 6. Section 94900 of the Education Code states:

23 (a) An institution shall maintain records of the name, address, e-mail address,
24 and telephone number of each student who is enrolled in an educational program in
25 that institution.

26 (b) An institution shall maintain, for each student granted a degree or certificate
by that institution, permanent records of all of the following:

27 (1) The degree or certificate granted and the date on which that degree or
28 certificate was granted.

1 (2) The courses and units on which the certificate or degree was based.

2 (3) The grades earned by the student in each of those courses.

3 7. Section 94910 of the Education Code states:

4 Prior to enrollment, an institution shall provide a prospective student with a
5 School Performance Fact Sheet containing, at a minimum, the following information,
6 as it relates to the educational program:

7 (a) Completion rates, as calculated pursuant to Article 16 (commencing with
8 Section 94928).

9 (b) Placement rates, as calculated pursuant to Article 16 (commencing with
10 Section 94928), if the educational program is designed to lead to, or the institution
11 makes any express or implied claim related to preparing students for, a particular
12 career, occupation, vocation, job, or job title.

13 (c) License examination passage rates for programs leading to employment for
14 which passage of a state licensing examination is required, as calculated pursuant to
15 Article 16 (commencing with Section 94928).

16 (d) (1) Salary or wage information, as calculated pursuant to Article 16
17 (commencing with Section 94928), if the institution or a representative of the
18 institution makes any express or implied claim about the salary that may be earned
19 after completing the educational program.

20 (2) Additionally, each institution that offers an educational program designed to
21 lead to a particular career, occupation, vocation, trade, job, or job title shall disclose
22 the wage and salary data for the particular career, occupation, trade, job, or job title,
23 as provided by the Employment Development Department's Occupational
24 Employment Statistics, if that data is available.

25 (e) If a program is too new to provide data for any of the categories listed in this
26 subdivision, the institution shall state on its fact sheet: This program is new.
27 Therefore, the number of students who graduate, the number of students who are
28 placed, or the starting salary you can earn after finishing the educational program are
unknown at this time. Information regarding general salary and placement statistics
may be available from government sources or from the institution, but is not
equivalent to actual performance data.

(f) All of the following:

(1) A description of the manner in which the figures described in subdivisions
(a) to (d), inclusive, are calculated or a statement informing the reader of where he or
she may obtain a description of the manner in which the figures described in
subdivisions (a) to (d), inclusive, are calculated.

(2) A statement informing the reader of where he or she may obtain from the
institution a list of the employment positions determined to be within the field for
which a student received education and training for the calculation of job placement
rates as required by subdivision (b).

(3) A statement informing the reader of where he or she may obtain from the
institution a list of the objective sources of information used to substantiate the salary
disclosure as required by subdivision (d).

1 (g) The following statements:

2 (1) This fact sheet is filed with the Bureau for Private Postsecondary Education.
3 Regardless of any information you may have relating to completion rates, placement
4 rates, starting salaries, or license exam passage rates, this fact sheet contains the
5 information as calculated pursuant to state law.

6 (2) Any questions a student may have regarding this fact sheet that have not
7 been satisfactorily answered by the institution may be directed to the Bureau for
8 Private Postsecondary Education at (address), Sacramento, CA (ZIP Code), (Internet
9 Web site address), (telephone and fax numbers).

10 8. Section 94912 of the Education Code states:

11 Prior to the execution of an enrollment agreement, the information required to
12 be disclosed pursuant to subdivisions (a) to (d), inclusive, of Section 94910 shall be
13 signed and dated by the institution and the student. Each of these items shall also be
14 initialed and dated by the student.

15 9. Section 94929 of the Education Code states:

16 (a) An institution shall annually report to the bureau, as part of the annual
17 report, and publish in its School Performance Fact Sheet, the completion rate for each
18 program. Except as provided in subdivision (b), the completion rate shall be
19 calculated by dividing the number of graduates by the number of students available
20 for graduation.

21 (b) In lieu of calculating graduation data pursuant to subdivision (a), an
22 institution may report graduation data reported to, and calculated by, the Integrated
23 Postsecondary Education Data System of the United States Department of Education.

24 10. Section 94929.5 of the Education Code states:

25 An institution shall annually report to the bureau, as part of the annual report,
26 and shall publish in its School Performance Fact Sheet, all of the following:

27 (a) The job placement rate, calculated by dividing the number of graduates
28 employed in the field by the number of graduates available for employment for each
program that is either (1) designed, or advertised, to lead to a particular career, or (2)
advertised or promoted with any claim regarding job placement.

(b) The license examination passage rates for the immediately preceding two
years for programs leading to employment for which passage of a state licensing
examination is required, calculated by dividing the number of graduates who pass the
examination by the number of graduates who take the licensing examination the first
time that the examination is available after completion of the educational program.
The institution shall use state agency licensing data to calculate license examination
passage rates. If those data are unavailable, the institution shall calculate the license
examination passage rate in a manner consistent with regulations adopted by the
bureau.

(c) Salary and wage information, consisting of the total number of graduates
employed in the field and the annual wages or salaries of those graduates stated in
increments of five thousand dollars (\$5,000).

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1 11. Section 94934 of the Education Code states:

2 (a) As part of the compliance program, an institution shall submit an annual
3 report to the bureau, under penalty of perjury, signed by a responsible corporate
4 officer, by July 1 of each year, or another date designated by the bureau, and it shall
include the following information for educational programs offered in the reporting
period:

5 (1) The total number of students enrolled by level of degree or for a diploma.

6 (2) The number of degrees, by level, and diplomas awarded.

7 (3) The degree levels and diplomas offered.

8 (4) The Student Performance Fact Sheet, as required pursuant to Section 94910.

9 (5) The school catalog, as required pursuant to Section 94909.

10 (6) The total charges for each educational program by period of attendance.

11 (7) A statement indicating whether the institution is, or is not, current in
12 remitting Student Tuition Recovery Fund assessments.

13 (8) A statement indicating whether an accrediting agency has taken any final
disciplinary action against the institution.

14 (9) Additional information deemed by the bureau to be reasonably required to
15 ascertain compliance with this chapter.

16 (b) The bureau, by January 1, 2011, shall prescribe the annual report's format
and method of delivery.

17 12. Code section 94897 states, in pertinent part:

18 An institution shall not do any of the following:

19 ...

20 (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:

21 (1) A financial report filed with the bureau.

22 (2) Information or records relating to the student's eligibility for student financial aid at the
institution.

23 (3) Any other record or document required by this chapter or by the bureau.

24 ...

25 13. Code section 94898, subdivision (a), states:

26 (a) An institution shall not merge classes unless all of the students have received the same
27 amount of instruction. This subdivision does not prevent the placement of students, who are
28 enrolled in different educational programs, in the same class if that class is part of each of
the educational programs and the placement in a merged class will not impair the students'
learning of the subject matter of the class.

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14. Code section 94900 states, in pertinent part:

...

(b) An institution shall maintain, for each student granted a degree or certificate by that institution, permanent records of all of the following:

(1) The degree or certificate granted and the date on which that degree or certificate was granted.

(2) The courses and units on which the certificate or degree was based.

(3) The grades earned by the student in each of those courses.

15. Code section 94900.5 states, in pertinent part:

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

...

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

...

16. Code section 94902 states:

(a) A student shall enroll solely by means of executing an enrollment agreement. The enrollment agreement shall be signed by the student and by an authorized employee of the institution.

(b) An enrollment agreement is not enforceable unless all of the following requirements are met:

(1) The student has received the institution's catalog and School Performance Fact Sheet prior to signing the enrollment agreement.

(2) At the time of the execution of the enrollment agreement, the institution held a valid approval to operate.

(3) Prior to the execution of the enrollment agreement, the student and the institution have signed and dated the information required to be disclosed in the Student Performance Fact Sheet pursuant to subdivisions (a) to (d), inclusive, of Section 94910. Each of these items in the Student Performance Fact Sheet shall include a line for the student to initial and shall be initialed and dated by the student.

(c) A student shall receive a copy of the signed enrollment agreement, in writing or electronically, regardless of whether total charges are paid by the student.

17. Code section 94905 states:

(a) During the enrollment process, an institution offering educational programs designed to lead to positions in a profession, occupation, trade, or career field requiring licensure in this state shall exercise reasonable care to determine if the student will not be eligible to obtain licensure in the profession, occupation, trade, or career field at the time of the student's graduation and shall provide all students enrolled in those programs with a written copy of the requirements for licensure established by the state, including any applicable course requirements established by the state. If the minimum course requirements of the institution exceed the minimum requirements for state licensure, the institution shall disclose this information, including a list of those courses that are not required for state licensure. The institution shall not execute an enrollment agreement with a student that is known to be ineligible for licensure, unless the student's stated objective is other than licensure.

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1 (b) During the enrollment process, an institution may discuss internships and student
2 jobs available to the student during the student's attendance at the institution. If the
3 institution discusses internships and student jobs, the institution shall disclose the number
4 of requests for internship and student job placement assistance received by the institution
5 during the immediately preceding calendar year and the number of actual placements
6 during that year.

(c) During the enrollment process, an institution offering educational programs designed to
lead to positions in a profession, occupation, trade, or career field where voluntary licensure
by a government agency is available, shall provide its students seeking to enroll in those
programs with a written copy of the requirements for that voluntary licensure.

7 18. Code section 94909 states, in pertinent part:

8 (a) Except as provided in subdivision (d), before enrollment, an institution shall
9 provide a prospective student, either in writing or electronically, with a school catalog
10 containing, at a minimum, all of the following:

11 ...
12 (4) The address or addresses where class sessions will be held.

13 ...
14 (8) A detailed description of institutional policies in the following areas:

15 ...
16 (C) Probation and dismissal policies.

17 ...
18 (9) The schedule of total charges for a period of attendance and an estimated schedule of
19 total charges for the entire educational program.

20 19. Code section 94913 states:

21 (a) An institution that maintains an Internet Web site shall provide on that Internet Web site
22 all of the following:

23 (1) The school catalog.

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

26 (3) Student brochures offered by the institution.

27 (4) A link to the bureau's Internet Web site.

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

(b) An institution shall include information concerning where students may access the
bureau's Internet Web site anywhere the institution identifies itself as being approved by
the bureau.

REGULATORY PROVISIONS

20. Title 5, California Code of Regulations, section 71660 provides:

An institution shall notify the Bureau of a non-substantive change including: change of
location of less than 10 miles; addition of a program related to the approved programs
offered by the institution; addition of a new branch five miles or less from the main or
branch campus; addition of a satellite; and change of mailing address. All such notifications
shall be made within 30 days of the change and sent to the Bureau, in writing, to the address
listed in section 70020.

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1 21. Title 5, California Code of Regulations, section 71710 provides, in pertinent part:
2 In order to meet its mission and objectives, the educational program defined in section
3 94837 of the Code shall be comprised of a curriculum that includes:
4 (a) those subject areas that are necessary for a student to achieve the educational objectives
5 of the educational program in which the student is enrolled;
6 (b) subject areas and courses or modules that are presented in a logically organized manner
7 or sequence to students;
8 (c) course or module materials that are designed or organized by duly qualified faculty. For
9 each course or module, each student shall be provided with a syllabus or course outline that
10 contains:
11 (1) a short, descriptive title of the educational program;
12 (2) a statement of educational objectives;
13 (3) length of the educational program;
14 (4) sequence and frequency of lessons or class sessions;
15 (5) complete citations of textbooks and other required written materials;
16 (6) sequential and detailed outline of subject matter to be addressed or a list of skills to be
17 learned and how those skills are to be measured;
18 (7) instructional mode or methods.
19 ...
20 (f) evaluation by duly qualified faculty of those learning outcomes.

21 22. Title 5, California Code of Regulations, section 71715, subdivision (b), provides:
22 The institution shall document that the instruction offered leads to the achievement of the
23 learning objectives of each course.

24 23. Title 5, California Code of Regulations, section 71720, subdivision (b)(1), provides:
25 ...
26 (b) Instructors in an Educational Program Not Leading to a Degree.
27 (1) An institution shall employ instructors who possess the academic, experiential and
professional qualifications to teach, including a minimum of three years of experience,
education and training in current practices of the subject area they are teaching. If an
instructor does not possess the required three years of experience, education and training in
the subject area they are teaching, the institution shall document the qualifications the
instructor possesses that are equivalent to the minimum qualifications.
...

28 24. Title 5, California Code of Regulations, section 71730 provides:
29 (a) Each institution shall have a chief executive officer, a chief operating officer and chief
30 academic officer. One person may serve more than one function.
31 (b) The duties, responsibilities, and performance evaluation criteria for each administrator
32 shall be set forth in a personnel manual or other writing maintained by the institution.
33 (c) An institution with one or more branch locations shall establish written institutional
34 policies, consistent with subdivision (d), regarding the division and sharing of
35 administrative responsibilities between the central administration at the main location and
36 the administration at the branch locations.
37 (d) The administrative staffing at each branch location shall reflect the purposes, size, and
educational operations at that location and at any satellite location for which the branch has
administrative responsibilities.
38 (e) The chief academic officer shall possess a degree or equivalent acceptable experience at
least equal to the highest qualifications required of the institution's faculty. Chief academic
officers employed on the date of implementation of these regulations, who do not meet the

1 qualifications for their positions, shall have three years to earn the necessary degrees or
2 experience to qualify them for their position.

3 (f) The institution shall employ administrative personnel who have the expertise to ensure
4 the achievement of the institution's mission and objectives and the operation of the
5 educational programs.

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

10 25. Title 5, California Code of Regulations, section 71735 provides, in pertinent part:

11 (a) An institution shall have sufficient facilities and necessary equipment to support the
12 achievement of the educational objectives of all of the courses and educational programs in
13 which students are enrolled. If an institution represents that the educational service will fit
14 or prepare a student for employment in a particular occupation or as described in particular
15 job titles, either of the following conditions shall be met:

16 ...

17 (2) The institution shall establish that the equipment used for instruction or provided to a
18 student is not obsolete and is sufficient for instructional purposes to reasonably assure that a
19 student acquires the necessary level of education, training, skill, and experience to obtain
20 employment in the field of training and to perform the tasks associated with the occupation
21 or job title to which the educational program was represented to lead.

22 (b) An institution's facilities, including heating and cooling, ventilation, lighting,
23 classrooms, laboratories, and campus environs, shall be well-maintained. The institution
24 shall maintain all valid permits required by any public agencies relating to the health and
25 safety of the institution's facilities and equipment on file, and such permits shall be
26 available to the Bureau upon request.

27 26. Title 5, California Code of Regulations, section 71745 subdivision (c), provides:

28 An institution shall provide to the Bureau its most current financial statements upon
request.

29 27. Title 5, California Code of Regulations, section 71750 provides, in pertinent part:

30 ...

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

34 ...

35 (3) Except as provided herein, all amounts that the student has paid shall be subject to
36 refund unless the enrollment agreement and the refund policy outlined in the catalog
37 specify amounts paid for an application fee or deposit not more than \$250.00, books,
38 supplies, or equipment, and specify whether and under what circumstances those amounts
are non-refundable. Except when an institution provides a 100% refund pursuant to section
94919(d) or section 94920(b) of the Code, any assessment paid pursuant to section 94923
of the Code is non-refundable.

39 ...

40 28. Title 5, California Code of Regulations, section 71760 provides:

41 Each institution shall develop and maintain adequate procedures used by the institution to
42 assure that it is maintained and operated in compliance with the Act and this Division.

43 ///

1 29. Title 5, California Code of Regulations, section 71770 provides, in pertinent part:

2 ...

3 (c) If credit for prior experiential learning is to be granted, the policy for granting such
4 credit shall be included in the institution's catalog.

5 (1) An institution may grant credit to a student for prior experiential learning only if:

6 (A) The prior learning is equivalent to a college or university level of learning;

7 (B) The learning experience demonstrates a balance between theory and practice and;

8 (C) The credit awarded for the prior learning experience directly relates to the student's
9 degree program and is applied in satisfaction of some of the degree requirements.

10 (2) Each college or university level learning experience for which credit is sought shall be
11 documented by the student in writing.

12 (3) Each college or university level learning experience shall be evaluated by faculty
13 qualified in that specific subject area who shall ascertain (1) to what college or university
14 level learning the student's prior experience is equivalent and (2) how many credits toward
15 a degree may be granted for that experience.

16 (4) The faculty evaluating the prior learning shall prepare a written report indicating all of
17 the following:

18 (A) The documents in the student's record on which the faculty member relied in
19 determining the nature of the student's prior experience;

20 (B) The bases for determining that the prior experience (i) is equivalent to college or
21 university level learning and (ii) demonstrates a balance between theory and practice; and

22 (C) The bases for determining (i) to what college or university level the experience is
23 equivalent and (ii) the proper number of credits to be awarded toward the degree for that
24 experience.

25 (5)(A) The institution shall designate at least one administrator to be responsible for the
26 review of faculty determinations regarding the award of credit for prior experiential
27 learning.

28 (B) The administrator shall document the institution's periodic review of faculty evaluations
to assure that the faculty written evaluations and awards of credit comply with this section
and the institution's policies and are consistent.

(6) The amount of credit awarded for prior experiential learning shall not be related to the
amount charged the student for the assessment process.

(7)(A) Of the first 60 semester credits awarded a student in an undergraduate program, no
more than 15 semester credits may be awarded for prior experiential learning.

(B) Of the second 60 semester units (i.e., credits 61 to 120) awarded a student in an
undergraduate program, no more than 15 semester credits may be awarded for prior
experiential learning.

(C) Of the first 30 semester credits awarded a student in a graduate program, no more than
6 semester credits may be awarded for prior experiential learning.

(D) Of the second 30 semester credits (i.e., credits 31 to 60) awarded a student in a graduate
program, no more than 3 semester credits may be awarded for prior experiential learning.

(E) No credit for experiential learning may be awarded after a student has obtained 60
semester credits in a graduate program.

30. Title 5, California Code of Regulations, section 71800 provides, in pertinent part:

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

...

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

...

(6) uniforms or other special protective clothing;

...

(8) tutoring;

1 ...
2 (12) any other institutional charge or fee.
3 (f) Charges paid to an entity other than an institution that is specifically required for
4 participation in the educational program.

5 31. Title 5, California Code of Regulations, section 71810 provides, in pertinent part:

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

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

14 ...
15 (3) If the institution admits students from other countries, whether visa services are
16 provided or whether the institution will vouch for student status, and any associated
17 charges;

18 ...
19 (6) The institution's policies and practices regarding any form of financial aid, including all
20 consumer information which the institution is required to disclose to the student under any
21 state or federal financial aid program;

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

25 ...
26 (12) A description of all student services
27 ...

28 32. Title 5, California Code of Regulations, section 71920 provides, in pertinent part:

29 ...
30 (b) In addition to the requirements of section 94900, the file shall contain all of the
31 following pertinent student records:

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

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

38 ...
39 (5) In addition to the requirements of section 94900(b) of the Code, a transcript showing all
40 of the following:

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

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

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

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

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

49 ...
50 (9) A document showing the total amount of money received from or on behalf of the
51 student and the date or dates on which the money was received
52

1 33. Title 5, California Code of Regulations, section 71930 provides, in pertinent part:

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

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

7 ...

8 34. Title 5, California Code of Regulations, section 74110 provides:

9 (a) The annual report required by Section 94934 of the Code shall include the information
10 required by this section, subsections (f) through (j) of section 74112, and sections 94929.5
11 and 94934 of the Code for all educational programs offered in the prior calendar year, and
12 all of the following for the prior calendar year:

13 (1) Information regarding institutional branch campuses, including addresses and programs
14 offered at each campus, if applicable;

15 (2) Information regarding satellite locations, including addresses and with which
16 campus(es) the satellite location is affiliated, if applicable;

17 (3) Name of institutional accreditors for each branch and satellite campus, and for each
18 such campus at which any programs have programmatic accreditation, the names of the
19 programmatic accreditor for each such program, and effective dates for each
20 programmatic accreditation, if applicable;

21 (4) Information regarding participation in state and federal student loan and grant programs,
22 including the total amount of funding received from each source for those students enrolled
23 in an approved California school regardless of their state of residency;

24 (5) Information regarding participation in other public funding programs, including the
25 amount of funding received from each public funding source; for purposes of this section,
26 public funding is any financial aid paid on behalf of students or directly to an institution
27 from any public source, such as the Workforce Investment Act, any veterans' financial aid
programs pursuant to Section 21.4253 of Title 38 of the Code of Federal Regulations or any
other financial aid program that is intended to help students pay education-related expenses,
including tuition, fees, room and board, and supplies for education;

(6) The total percentage of institutional income that comes from any public funding
sources; and,

(7) A blank copy of the institution's enrollment agreement and the catalog for the reporting
year.

(b) In addition to the information required by section 94934 of the Code and this section
provided under penalty of perjury, the institution shall have annual financial statements

prepared for the institution's prior fiscal year and signed under penalty of perjury, and shall
submit a hard copy under separate cover of such statements in conjunction with its annual
report. The form, content and mode of preparation of financial statements shall comply with
Section 74115 of this Division. The Bureau may request that the institution immediately
make available for inspection to a representative of the Bureau, these financial statements at
the offices of the institution.

(c) As part of its annual report to the Bureau, every institution shall provide graduate
identification data for each student who graduated from the institution's educational
program(s), which shall include:

(1) The graduate's name and federal taxpayer identification number, which is either the

1 graduate's social security number (SSN) or individual taxpayer identification number
2 (ITIN). If the graduate does not have an SSN or ITIN, the graduate's information shall be
3 reported as "not available";

4 (2) The date of graduation;

5 (3) The following information regarding the educational program in which the graduate was
6 enrolled:

7 (A) The federal Bureau of Labor Statistic's Standard Occupation Classification (SOC)
8 codes for which the institution has identified that the program prepares its graduates
9 when required for the reporting of job placement rates under subdivision (i)(3) of
10 section 74112 of this Division;

11 (B) Educational program's name;

12 (C) Program length, as measured in clock hours or credit hours; and

13 (D) Type or title of degree, diploma or certificate awarded.

14 (4) The amount of federal student loan debt for the graduate, if any, as reported by the
15 institution under subdivision (g) of section 74112 of this Division.

16 (d) Specific Timeframes for Reporting Graduate Identification Data: (1) The first annual
17 report submitted by an institution that contains the graduate identification data required to
18 be reported in subsection (c) shall be filed with the Bureau by the first Annual Report
19 deadline occurring more than 120 days after the date an institution receives written notice
20 from the Bureau as provided by this section. The written notice shall inform the institution
21 that the Director has certified that the Bureau's information technology system has been
22 updated and is capable of processing the data as required by Section 94892.6 of the Code.
23 The written notice shall also notify the institution that the annual report submission
24 occurring more than 120 days after receipt of the Bureau's written notice must contain the
25 graduate identification data required by this section.

26 (2) The first annual report submitted by an institution that contains the graduate
27 identification data required to be reported in subsection (c) shall include information
collected on all students who graduated from January 1, 2020 through the end of the prior
calendar year. Subsequent annual reports containing graduate identification data filed by an
institution shall include information about students who graduated in the prior calendar year
only.

(e) An institution shall file its annual report by December 1st of each year. The Bureau may
extend the period for filing if the institution demonstrates evidence of substantial need but
in no case longer than 60 days. The institution shall not change the date of its filing its
annual report because of a change in the fiscal year without the Bureau's approval.

(f) The annual report shall be electronically filed by submitting the information required by
section 94934 of the Code and this section via the Bureau's online annual reports portal
designated on the Bureau's website at: www.bppe.ca.gov, and electronically uploading, as
directed, the School Performance Fact Sheet, the enrollment agreement, the school catalog
and the graduate identification data required by this section. The following conditions relate
to such electronic filings:

(1) Institutions submitting their annual report submission shall first have a responsible
institution representative register the institution for a user account by creating a user name,
password, email address, and the institution representative's first and last name, primary
phone number, and address.

(2) As part of the annual report, the institution shall provide standard reporting and contact
information through the online portal, including:

(A) the report year;

- (B) institution's approval code;
- (C) institution's name;
- (D) institution's physical address;
- (E) the form of business organization of the institution (sole proprietorship, for-profit corporation, non-profit corporation, or limited liability company (LLC));
- (F) a statement whether the institution is current on its annual fees; and
- (G) the institution's website address, or notice that it does not maintain an internet website if it does not do so.

(3) The graduate identification data reported by the institution shall be provided in the following application and file format: in an Excel spreadsheet (.xls or .xlsx file format), or a text file with a semi-colon, comma, or pipe delimiter (.txt file format).

(4) Electronic Signature: When a signature is required by the particular instructions of any filing to be made through the online portal, including any attestation under penalty of perjury as required by Section 94934 of the Code, a responsible institutional representative of the institution shall affix their electronic signature to the filing by typing their name in the appropriate field and submitting the filing via the Bureau's online portal. Submission of a filing in this manner shall constitute evidence of legal signature by any individual whose name is typed on the filing.

(5) When considered filed with the Bureau: Solely for purposes of a filing made through the online portal an annual report is considered filed when all information required by this section has been submitted by the institution and the institution has received an email to the email address associated with their filing that their submission has been received by the Bureau. Receipt of this email does not constitute confirmation that the information submitted complies with the requirements of this section.

(6) The financial statements referenced in subsection (b), which are not permitted to be filed via the Bureau's online portal, shall be filed by providing or mailing hard copies directly to the Bureau's Annual Report Unit at the mailing address of the principal office of the Bureau as provided in section 70020.

35. Title 5, California Code of Regulations, section 74112 provides, in pertinent part:

(m) Documentation supporting all data reported shall be maintained electronically by the institution for at least five years from the last time the data was included in either an Annual Report or a Performance Fact Sheet and shall be provided to the Bureau upon request; the data for each program shall include at a minimum:

- (1) the list of job classifications determined to be considered gainful employment for the educational program;
- (2) student name(s), address, phone number, email address, program completed, program start date, scheduled completion date, and actual completion date;
- (3) graduate's place of employment and position, date employment began, date employment ended, if applicable, actual salary, hours per week, and the date employment was verified;
- (4) for each employer from which employment or salary information was obtained, the employer name(s) address and general phone number, the contact person at the employer and the contact's phone number and email address, and all written communication with employer verifying student's employment or salary;
- (5) for students who become self-employed, all documentation necessary to demonstrate self-employment;
- (6) a description of all attempts to contact each student or employer;
- (7) any and all documentation used to provide data regarding license examinations and examination results;

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1 (8) for each student determined to be unavailable for graduation or unavailable for
employment, the identity of the student, the type of unavailability, the dates of
2 unavailability, and the documentation of the unavailability; and
3 (9) the name, email address, phone number, and position or title of the institution's
representative who was primarily responsible for obtaining the students' completion,
4 placement, licensing, and salary and wage data, the date that the information was gathered,
and copies of notes, letters or emails through which the information was requested and
gathered.

5 36. Title 5, California Code of Regulations, section 74117 states:
In addition to the requirement in Section 94913(b) of the Code, an institution that maintains
6 a website shall provide on the homepage of that website clear and conspicuous links to all
the items required in Section 94913(a) of the Code.

7 37. Title 5, California Code of Regulations, section 76120, subdivision (a), provides:
8
9 Effective April 1, 2022, each qualifying institution shall collect an assessment of two
dollars and fifty cents (\$2.50) per one thousand dollars (\$1,000) of institutional charges,
10 rounded to the nearest thousand dollars, from each student in an educational program who
is a California resident or is enrolled in a residency program. For institutional charges of
one thousand dollars (\$1,000) or less, the assessment is zero dollars (\$0).

11 38. Title 5, California Code of Regulations, section 76130 states:
12 (a)(1) A qualifying institution shall collect the assessment from each student in an
educational program at the time it collects the first payment from or on behalf of the student
13 at or after enrollment. The assessment shall be collected for the entire period of enrollment,
regardless of whether the student pays the institutional charges in increments.
14 (2) The assessment to be collected from a re-enrolling student shall be limited to any
amount that is due after crediting any prior assessment amount paid by the student. The
15 enrollment agreement shall clearly identify any prior STRF assessment paid by the student.
16 (b) A qualifying institution shall complete the STRF Assessment report and remit it with
the STRF assessments collected from students to be received by the Bureau no later than
17 the last day of the month following the close of the quarter as follows:
18 (1) April 30 for the first quarter,
19 (2) July 31 for the second quarter,
(3) October 31 for the third quarter, and
20 (4) January 31 for the fourth quarter.
If the due date falls on a Saturday, Sunday, or State or federal holiday, the due date shall be
21 extended to the next regular business day for the Bureau.
(c) The STRF Assessment report shall contain the following information:
22 (1) Total number of students who signed enrollment agreements for educational programs
during the reporting period; and
23 (2) Total number of students eligible for STRF who signed enrollment agreements for
educational programs during the reporting period; and
24 (3) The total number of students who signed their enrollment agreement during the
reporting period, were eligible for STRF, and who made their first payment during the
25 reporting period; and
26 (4) The total number of students who signed their enrollment agreement in a previous
reporting period, were eligible for STRF, and who made their first payment during the
27 current reporting period; and

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- 1 (5) Total amount of institutional charges after rounding each student's institutional charges
2 to the nearest \$1,000, for all eligible STRF students whose STRF assessment was collected
3 in the reporting period; and
4 (6) Current contact telephone number of the person preparing the form; and
5 (7) A declaration dated and signed under penalty of perjury by the person preparing the
6 form that the form and any attachments are true and correct.
7 (d) In the event of a school closure, any collected assessments shall be remitted to the
8 Bureau within seven days following the cessation of instruction.
9 (e) Submission of all prior reports and assessments required by this section is a condition of
10 renewal.

11 39. Title 5, California Code of Regulations, section 76140 states:

12 (a) A qualifying institution shall collect and maintain records of student information to
13 substantiate the data reported on the STRF Assessment Reporting Form and records of the
14 students' eligibility under the Fund. Such records shall include the following for each
15 student:

- 16 (1) Student identification number,
17 (2) First and last names,
18 (3) Email address,
19 (4) Local or mailing address,
20 (5) Address at the time of enrollment,
21 (6) Home address,
22 (7) Date enrollment agreement signed,
23 (8) Courses and course costs,
24 (9) Amount of STRF assessment collected,
25 (10) Quarter in which the STRF assessment was remitted to the Bureau,
26 (11) Third-party payer identifying information,
27 (12) Total institutional charges charged, and
28 (13) Total institutional charges paid.

(b) The qualifying institution shall maintain the data required under this section in an
electronic format that is readily available and open to inspection by the Bureau upon
request. The institution shall make the records immediately available to a Bureau
representative conducting a site inspection or, upon written request, shall provide a copy
within 14 calendar days of the request. All records shall be provided to the Bureau in an
intelligible and orderly manner and in an electronic format.

COST RECOVERY

40. Section 125.3 of the Code provides, in pertinent part, that the Board may request the
administrative law judge to direct a licensee found to have committed a violation or violations of
the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
enforcement of the case, with failure of the licensee to comply subjecting the license to not being

1 renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be
2 included in a stipulated settlement.

3 FACTUAL ALLEGATIONS

4 November 13, 2020 Complaint

5 41. On or about November 13, 2020, the Bureau received a complaint from former
6 student, D.Y., alleging that respondent failed to provide the full educational program advertised
7 for the Commercial Driver's License Training Course.

8 42. On or about May 5, 2021, a Bureau investigator visited respondent's teaching site and
9 interviewed students, instructors, and administrators. The Bureau investigator also requested and
10 reviewed various documents from respondent.

11 43. The investigator requested the current school catalog. On or about May 5, 2021, the
12 investigator received a school catalog that stated that it had expired on January 1, 2021 (the "2020
13 School Catalog"). The investigator also noted the following deficiencies in the 2020 School
14 Catalog:

- 15 a. The 2020 School Catalog lists supplies and materials as a non-refundable charge
16 without specifying whether and under what circumstances they are non-
17 refundable.
- 18 b. The 2020 School Catalog states that there is no Student Tuition Recovery Fund
19 (STRF) fee for six of the seven courses the school offers, which does not reflect
20 the STRF fee of \$0.50 per \$1,000.
- 21 c. The 2020 School Catalog does not include a statement regarding where class
22 sessions will be held for each program offered.
- 23 d. The 2020 School Catalog does not include a statement regarding the policy for
24 prior experiential learning and all required information regarding the policy.
- 25 e. The 2020 School Catalog does not include a statement regarding whether the
26 school accepts students from other countries or if visa services are offered and
27 any costs associated.

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- 1 f. The 2020 School Catalog does not include the total charges for a period of
2 attendance.
- 3 g. The 2020 School Catalog does not include the required disclosures and policies
4 regarding the acceptance of state financial aid.
- 5 h. The 2020 School Catalog does not include a description of all student services
6 offered by the school.
- 7 i. The 2020 School Catalog states that all instructors have at least five years of
8 experience in the industry. However, the resume provided for instructor J.R.
9 demonstrates that he does not have five years of experience in the industry.
- 10 j. The 2020 School Catalog states that respondent does not participate in state
11 financial aid programs. However, respondent provided statements indicating that
12 respondent accepts workforce funds from Employment Development Department
13 (EDD), which are a form of state financial aid.

14 44. The investigator requested and reviewed respondent's Student Orientation Packet.
15 The Student Orientation Packet includes student conduct and dismissal policies not contained in
16 the 2020 School Catalog. The Student Orientation Packet includes disclosures regarding fees a
17 student may incur in the course of their attendance at the school that are not disclosed in the 2020
18 School Catalog or in the enrollment agreement, including costs for protective clothing, tutoring,
19 other charges, fees, and charges payable to other entities.

20 45. The Student Orientation Packet also contains information regarding a refresher course
21 that is not listed on the Bureau's approved programs list. Respondent did not notify the Bureau of
22 the addition of a program related to the programs the institution is approved to offer.

23 46. The investigator requested and reviewed selected student files. The student file of
24 D.G. contained timecards reflecting D.G.'s attendance. The timecards in D.G.'s file did not
25 include any timestamps of when D.G. arrived or left the instructional site, and D.G. stated that the
26 timecards did not accurately reflect his actual attendance. A review of the timecards revealed that
27 D.G. did not receive instruction in all of the subject areas listed in the 2020 School Catalog. A
28 handwritten note on a timecard dated on or about April 22, 2021 stated that D.G. had completed

1 his training. However, on that date, D.G. had only logged approximately 144 hours of his 168-
2 hour course. D.G.'s file did not contain any evidence that he received the skills performance test
3 listed in the School Catalog as the final exam for his educational program. D.G. stated that he
4 never received that exam.

5 47. In addition, D.G.'s student file did not contain a copy of the certificate granted, the
6 date on which it was granted, the courses on which the certificate was based, and the grades in
7 those courses. D.G.'s student file did not contain a transcript showing the courses that he
8 completed or attempted and did not complete. D.G.'s file also did not contain a document
9 showing the total amount of money received from him or on his behalf.

10 48. The investigator discovered that the school was not providing the educational
11 program in a logically organized manner or sequence. The school offered rolling enrollment but
12 did not track the delivery of educational modules or components of the educational program. The
13 school combined all courses no matter the length of enrollment or the course in which the student
14 was enrolled. The instructors did not know which students were enrolled in which course. The
15 school merged classes such that students taking the same class had not received the same amount
16 of instruction. The school also did not accurately document the actual hours that each student
17 attended. During the investigation, the investigator observed students coming and going and saw
18 that the sign-in sheet only listed the start time of the class but did not track actual times of
19 attendance.

20 49. The school did not provide a course syllabus to each student and did not provide the
21 full educational program to all of its students. Students did not receive training or testing by duly
22 qualified faculty in all of the modules listed within the 2020 School Catalog. The 2020 School
23 Catalog also stated that students would receive a final exam in the form of a skills test. However,
24 the school failed to administer a final exam to its students to determine if the educational
25 objectives were achieved. The school further failed to provide certificates of completion to all
26 students who completed the courses.

27 50. The school failed to have equipment that is sufficient for instructional purposes and
28 failed to properly maintain the campus environs. The investigator observed that the majority of

1 the trucks in the yard had problems with their tires and did not appear to be road worthy. The
2 investigator also observed puddles of leaking fluid under a truck that was apparently the only
3 truck available for alley docking training. The investigator further observed that the yard was
4 covered in pieces of cable from tires that were driven throughout the yard with bare cables
5 exposed.

6 51. The records provided by the school showed that the school employed J.R. as an
7 instructor when J.R. did not possess the minimum three years of education, experience, and/or
8 training in order to provide instruction. In addition, the school failed to maintain records of the
9 names, addresses, and educational qualifications of all members of its faculty. For instance,
10 D.G.'s student file contained the names Richard, Alexander, and Javier listed as instructors, but
11 the school did not provide their complete names or educational qualifications. In addition, the
12 faculty list included I.P., and O.V., but the school did not provide any educational qualifications
13 for those individuals.

14 52. On or about October 13, 2021, the Bureau's Compliance Unit conducted an on-site
15 Unannounced Compliance Inspection. During the inspection, the Bureau's inspector requested a
16 copy of respondent's current year School Performance Fact Sheet (SPFS) substantiating data for
17 two of its approved programs. The inspector later reviewed the documents provided and found
18 that respondent was not tracking all of the required substantiating data. At least the following
19 items were missing from the substantiating data: 1) student information and addresses; 2)
20 employment information including addresses, contact persons, contact emails, and documentation
21 for students "unavailable for graduation or employment;" and 3) school personnel who were
22 primarily responsible for collecting the data. As a result, the inspector could not validate the
23 "Gainfully Employed" categories listed on respondent's 2018-2019 SPFS.

24 53. During the October 13, 2021 inspection, the Bureau's inspector requested
25 respondent's current financial statement. The inspector received respondent's 2018 financial
26 statement. The inspector asked for current year audited or unaudited financial reporting data, but
27 respondent's Compliance Officer stated that the school did not have a current year financial
28 statement to provide to the Bureau.

1 **April 7, 2022 Complaint**

2 54. On or about April 7, 2022, the Bureau received a complaint from former student,
3 L.C., alleging that respondent failed to provide the full educational program advertised for the
4 Commercial Driver's License Training Course.

5 55. On or about July 6, 2022, a Bureau investigator visited respondent's teaching site and
6 interviewed students, instructors, and administrators. The Bureau investigator also requested and
7 reviewed various documents from respondent.

8 56. On or about July 6, 2022, respondent provided the Bureau investigator with a copy of
9 the 2022 School Catalog, which states the school provides a specific number of hours of
10 instruction for each subject area and includes a final exam in their programs. The Bureau
11 investigator interviewed three students who had completed the program. Each student noted
12 respondent failed to administer a final exam. An instructor at Dolphin, J.M., confirmed he does
13 not provide a final exam and does not keep track of the total number of hours of instruction a
14 student is provided with during their attendance. The Bureau investigator did not find any copies
15 of a final exam or grades of a final exam in any of the graduate student files.

16 57. The Bureau investigator discovered that the school is not providing students with all
17 of the hours of instructional time they are contracted for. Respondent falsely claims that students
18 are participating in four hours of instruction or training on each given day, despite not tracking
19 who is actively participating in the educational program or when students arrive and depart from
20 the yard.

21 58. A review of student files, revealed the following:

22 a. The student file for J.P. contained an Enrollment Agreement which included an untrue
23 statement related to the cost of the program. The 2022 School Catalog lists the tuition rate for the
24 168 hour Class A Course as \$5,040. The Enrollment Agreement the school provided lists a tuition
25 charge of \$4,460. The 2022 School Catalog lists the total program cost as \$5,671.50. The
26 Enrollment Agreement lists the total cost of the program as \$4,710.00.

27 b. The student file for T.S. contained an Enrollment Agreement which included an untrue
28 statement related to the cost of the program. The 2022 School Catalog lists the tuition rate for the

1 168 hour Class A Course as \$5,040. The Enrollment Agreement the school provided lists a tuition
2 charge of \$4,460. Additionally, the Enrollment Agreement lists a fee for supplies and materials
3 for \$0, while the 2022 School Catalog lists the fee of \$115. The 2022 School Catalog lists the
4 total program cost as \$5,671.50. The Enrollment Agreement lists the total cost of the program as
5 \$4,710.00

6 c. The student file for C.P. contained an Enrollment Agreement which included an untrue
7 statement related to the cost of the program. The 2022 School Catalog lists the tuition rate for the
8 168 hour Class A Course as \$5,040. The Enrollment Agreement the school provided lists a tuition
9 charge of \$4,199. The 2022 School Catalog lists the total program cost as \$5,671.50. The
10 Enrollment Agreement lists the total cost of the program as \$4,827.50.

11 d. The student file for S.P. contained an Enrollment Agreement which included an untrue
12 statement related to the cost of the program. The 2022 School Catalog lists the tuition rate for the
13 168 hour Class A Course as \$5,040. The Enrollment Agreement the school provided lists a tuition
14 charge of \$4,199. The 2022 School Catalog lists the total program cost as \$5,671.50. The
15 Enrollment Agreement lists the total cost of the program as \$4,827.50.

16 e. The student file for C.L. contained an Enrollment Agreement which included an untrue
17 statement related to the cost of the program. The 2022 School Catalog lists the tuition rate for the
18 80 hour Advanced Course as \$3,135. The Enrollment Agreement the school provided lists a
19 tuition charge of \$3,500. Additionally, the Enrollment Agreement lists a fee for supplies and
20 materials for \$148.50, in excess of the \$115 listed in the 2022 School Catalog. The Enrollment
21 Agreement lists a \$350 non-refundable registration fee, in excess of the \$250 listed in the 2022
22 School Catalog.

23 f. The student file for J.D. contained an Enrollment Agreement which included an untrue
24 statement related to the cost of the program. The 2022 School Catalog lists the tuition rate for the
25 168 hour Class A Course as \$5,040. The Enrollment Agreement the school provided lists a tuition
26 charge of \$4,199. The 2022 School Catalog lists the total program cost as \$5,671.50. The
27 Enrollment Agreement lists the total cost of the program as \$4,827.50.
28

1 g. The school made an untrue change in a document required to be maintained by the
2 Bureau. The school provided two Enrollment Agreements for L.C. with differing signatures. The
3 Enrollment Agreements contain identical information except for the student signature. The
4 representation that the signature was that of student L.C. is a false statement.

5 h. The student file for A.V. contained an Enrollment Agreement which included an untrue
6 statement related to the cost of the program. The 2022 School Catalog lists the tuition rate for the
7 168 hour Class A Course as \$5,040. The Enrollment Agreement the school provided lists a tuition
8 charge of \$4,199. The 2022 School Catalog lists the total program cost as \$5,671.50. The
9 Enrollment Agreement lists the total cost of the program as \$4,827.50.

10 i. The student file for J.Z. contained an Enrollment Agreement which included an untrue
11 statement related to the cost of the program. The 2022 School Catalog lists the tuition rate for the
12 168 hour Class A Course as \$5,040. The Enrollment Agreement the school provided lists a tuition
13 charge of \$4,199. The 2022 School Catalog lists the total program cost as \$5,671.50. The
14 Enrollment Agreement lists the total cost of the program as \$4,827.50.

15 59. The school provided the Bureau investigator an Enrollment Agreement for Y.R. that
16 had the Student Tuition Recover Fund (STRF) fee written in pen, while all other charges listed
17 were typed in. The total cost of the program listed does not account for the \$10 STRF fee in the
18 total charges. The student file contained an Enrollment Agreement which included an untrue
19 statement related to the cost of the program. The 2022 School Catalog lists the tuition rate for the
20 Advanced 80 hour Course as \$3,135. The Enrollment Agreement the school provided lists a
21 tuition charge of \$3,634.50. The 2022 School Catalog lists the total program cost as \$3,500. The
22 Enrollment Agreement lists the total cost of the program as \$4,000.

23 60. The 2022 School Catalog states that students will be provided with an orientation
24 class on the first day of the educational program. The Compliance and Admissions Director for
25 Dolphin, M.G., told the Bureau investigator that they do not provide the orientation class on the
26 first day of the educational program.

27 61. Student files reviewed by the Bureau investigator contained varying tuition rates for
28 the same program, some of which do not align with the published cost of the program in the

1 School Catalog. M.G. told the Bureau investigator that Dolphin sometimes raises prices
2 temporarily based on business needs; and also offers discounts to students on a case by case basis.
3 M.G. told the Bureau investigator that they do not issue a catalog addendum to publish the price
4 increases or discounts in the School Catalog.

5 62. The school provided the Bureau with a copy of the 2020 Q3 STRF Assessment form
6 with a signature dated July 18, 2022, which did not match the form the school originally
7 submitted to the Bureau for the same reporting period. The original form stated that the school
8 had 62 students, with 22 eligible for STRF and \$59,000 in revenue for the period. The form the
9 school provided via email for the same period stated that the school had 63 students, 24 of which
10 were eligible for STRF with \$66,000 in revenue for the period.

11 63. The student file for E.R. contained several timecard sheets that were pre-signed by
12 the student, reflecting dates of attendance without having recorded any hours of attendance,
13 instruction provided, or instructor information. The documents had a highlighter mark at each
14 signature line, and was signed by the student, but contained no additional information.

15 64. Dolphin failed to provide to all students enrolled in an educational program that leads
16 to a profession requiring licensure with a written copy of the requirements for licensure
17 established by the state. The school provides students with a School Catalog that does not include
18 all of the requirements for licensure in the state of California. The state requires that students
19 receive at least 15 hours of behind the wheel training. The 80 hour Advanced Course that Dolphin
20 offers does not include more than 10 hours of behind the wheel training. The School Catalog does
21 not disclose this requirement. Dolphin does not have any other flyers or brochures that they use to
22 disclose this information to students during the enrollment process.

23 65. On or about July 6, 2022, the Bureau investigator interviewed three students who had
24 completed the program and an instructor for Dolphin. Each student noted the institution failed to
25 provide all of the noted course components in the School Catalog and failed to administer a final
26 exam.

27 66. The Bureau investigator discovered that the school was not providing the educational
28 program in a logically organized manner or sequence. The school offered rolling enrollment and

1 does not track the delivery of educational modules or components of the educational program.
2 The school combined all courses no matter the length of enrollment or the course in which the
3 student was enrolled.

4 67. The school did not provide a course syllabus to each student. The school did not
5 maintain a course syllabus for their courses that included all of the required components. The
6 school provided a course syllabus to the Bureau that did not include the sequence and frequency
7 of lessons or the complete citation of textbooks and other written materials for the course.

8 68. The Bureau investigator discovered that the educational program does not include
9 specific learning outcomes tied to the sequence of the presentation of materials that measure the
10 students learning of the material.

11 69. The Bureau investigator discovered that the school did not provide an educational
12 program that included evaluation by duly qualified faculty of the learning outcomes.

13 70. The Bureau investigator discovered that the school failed to document that the
14 instruction offered leads to the achievement of the learning objectives of each course. The school
15 did not administer their final exam to determine if the educational objectives were achieved. The
16 school did not accurately record the courses students were participating in and the grades they
17 were provided with on a regular basis. The school did not provide certificates of completion to
18 students who completed the course. The school did not provide the entire educational program to
19 its students. The school did not have the educational components required by the Department of
20 Transportation in order to qualify as a trainer for Class A and Class B licenses, which is the stated
21 objective of the courses the school offers.

22 71. The school failed to have equipment that is sufficient for educational purposes and
23 failed to properly maintain the campus environs. The school failed to replace tires and other
24 components of the truck as necessary and during the onsite investigation, the investigator was
25 informed that a tire had exploded during training in the yard. On or about July 6, 2022, the
26 Bureau investigator interviewed three students who had completed the program as well as an
27 instructor for Dolphin. All of the interviewees stated that time that should have been dedicated to
28 instruction was used to address and repair issues with equipment on a daily basis, such as having

1 to replace batteries, change out tires, or fix leaks. The school provided maintenance records that
2 failed to demonstrate that vehicles were adequately inspected on a regular basis to ensure that
3 equipment was in safe working order.

4 72. The Bureau investigator found that the school was merging classes where all students
5 had not received the same amount of instruction. For example, students who were enrolled in the
6 Class A 168-hour course and students who were enrolled in the Advanced 80-hour course were
7 merged together in courses. The school offers rolling enrollment and does not track the delivery
8 of educational modules or components of the educational program. The school combines all
9 courses no matter the length of enrollment or the course the student is enrolled in.

10 73. The school failed to employ instructors who possess the academic, experiential and
11 professional qualifications to teach. The school failed to provide any documentation related to the
12 qualifications of J.C., an instructor that was actively teaching students during the investigators
13 onsite investigation. The school provided a resume for J.R. and R. Z. that do not demonstrate that
14 the instructors possess the required three years of education, training, and experience. The school
15 failed to provide evidence that the instructors they employ participate in continuing education
16 courses in his or her subject area, classroom management or other areas related to teaching. The
17 faculty files the school provided did not contain any continuing education credits for any of the
18 currently employed instructors.

19 74. The Bureau requires that schools create, update, and maintain administrative
20 documentation on a monthly, quarterly and annual basis. At the conclusion of the onsite
21 investigation, the school could not provide the Bureau investigator with several of the documents
22 that were requested and that are required to be maintained and made immediately available to the
23 Bureau. The school also failed to provide the Bureau investigator a document demonstrating how
24 the school maintains compliance with the Bureau's laws and regulations. Additionally, the school
25 did not have the sufficient administrative staff at a branch location that reflected the purpose, size
26 and educational objectives of the branch.

27 75. The school did not employ administrative personnel that possess the expertise to
28 ensure the achievement of the mission and objectives of the school as well as the operation of the

1 educational programs. The school provided a resume for M. G., Admissions and Compliance
2 Director, that demonstrates she has no previous experience or training in the education industry.

3 76. On or about June 30, 2022, the Bureau investigator reviewed the school's website and
4 downloaded a copy of their current School Catalog and found that the School Catalog on the
5 website was out of date as it stated it expired on January 1, 2022.

6 77. During the onsite investigation, Dolphin was unable to provide STRF Assessment
7 Forms and supporting data and SPFS backup data for Quarter 3 of 2020, Quarter 3 and 4 of 2021
8 and Quarter 1 of 2022 to the Bureau investigator as requested. Also, the 2020 Q3 form that the
9 school provided via email had a signature date of July 18, 2022, but the original form submitted
10 to the Bureau was signed on December 15, 2020. Additionally, the Bureau investigator found that
11 the school did not maintain a faculty list and qualifications; and the school did not provide all of
12 the resumes for staff and faculty that were requested by the Bureau investigator. The school also
13 did not provide student files upon the Bureau's request during the onsite investigation; and did
14 not provide a student file for a dropped student per the Bureau investigator's request. Further, the
15 school did not provide a current financial statement during the onsite investigation and did not
16 maintain or provide a withdrawal log to the Bureau investigator.

17 78. During the onsite investigation, the school did not provide the SPFS backup
18 documentation for Quarter 3 of 2020, Quarters 3 and 4 of 2021, and Quarter 1 of 2022 upon
19 request. The school did provide data for Quarter 1, 2, and 4 of 2020 and Quarters 1 and 2 of 2021,
20 but the documents were missing information. The SPFS backup documentation for 2020 and
21 2021: (a) did not contain a list of the job classifications determined to be considered gainful
22 employment for the educational program; (b) did not contain actual completion dates for every
23 student listed; (c) did not contain graduating students employment information as required; (d)
24 did not contain the required employer information; (e) did not contain the required information
25 for students who are self-employed; (f) did not contain a description of all attempts to contact
26 each student or employer; (g) did not contain any and all documentation used to provide data
27 regarding license examinations and examination results; (g) did not contain information for
28 students who were unavailable for graduation or unavailable for employment; (h) did not contain

1 the name, email address, phone number, and position or title of the institution's representative
2 who was primarily responsible for obtaining the students' completion, placement, licensing, and
3 salary and wage data, the date that the information was gathered, and copies of notes, letters or
4 emails through which the information was requested and gathered.

5 79. On or about July 12, 2022, the Bureau investigator visited the school's website and
6 found that the school did not have up-to-date SPFSs or the most recent annual report required to
7 be submitted to the Bureau posted to their website.

8 80. The school provided the Bureau with STRF backup data that demonstrated they failed
9 to collect STRF assessment fees from all students who were enrolled in an educational program.

10 81. The school did not provide the required assessment forms and assessment fees
11 collected for Quarter 3 and 4 of 2021 to the Bureau in a timely manner. The school did not
12 provide the Bureau with the assessment forms during the onsite investigation.

13 82. The STRF backup documentation for 2020 Quarters 1, 2 and 4 and 2021 Quarter 1
14 did not contain student identification numbers, the date the enrollment agreement was signed,
15 course costs, amount of STRF collected, quarter in which the STRF assessment was remitted to
16 the Bureau, third party payer information, total institutional charges charged, and total
17 institutional charges paid for every student listed.

18 83. The STRF backup documentation for 2020 Quarter 3 and 2021 Quarter 3 did not
19 contain the student identification number, the email address, local or mailing address, address at
20 the time of enrollment, home address, date enrollment agreement was signed, course costs,
21 quarter in which the STRF assessment was remitted to the Bureau, third party payer information,
22 total institutional charges charged, and total institutional charges paid for each student listed.

23 84. The STRF backup documentation for 2021 Quarter 2 did not contain the student
24 identification number, course costs, amount of STRF assessment collected, quarter in which the
25 STRF assessment was remitted to the Bureau, third party payer information, total institutional
26 charges charged, and total institutional charges paid for each student listed.

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1 85. The STRF backup documentation for 2021 Quarter 4 did not contain the student
2 identification number, course costs, quarter in which the STRF assessment was remitted to the
3 Bureau, and total institutional charges paid for each student listed.

4 86. The STRF backup documentation for 2022 Quarter 1 did not contain the student
5 identification number, course costs, quarter in which the STRF assessment was remitted to the
6 Bureau, total institutional charges charged, and total institutional charges paid for each student
7 listed.

8 87. The Bureau investigator discovered that the school did not maintain the required
9 institutional records that demonstrate they employ qualified faculty. The school failed to provide
10 any documentation related to the qualifications of J.C., an instructor that was actively teaching
11 students during the onsite investigation.

12 88. The school did not develop and maintain adequate procedures to assure it is
13 maintained and operated in compliance with the Bureau. Dolphin did not provide the requested
14 documentation during the onsite investigation or in any subsequent communications with the
15 Bureau.

16 89. The school provided a student file for Y.R. which demonstrated that the school failed
17 to issue a proper refund. The student cancelled within the seven days after enrollment and was
18 therefore entitled to a refund of 100% of the charges, less a deposit of \$250 plus the STRF fee of
19 \$10. The school charged the student \$375.50 and issued a refund for the remaining paid balance
20 of \$1500, for a refund totaling \$1124.50. The correct refund amount should be \$1240.

21 90. The school did not maintain a withdrawal log kept current on a monthly basis and did
22 not provide the requested document during the onsite investigation. Eventually, the school
23 provided the withdrawal log, but it failed to contain phone numbers and dates of cancellation or
24 withdrawal for the students listed on it.

25 91. The student file for C.P. contained an Enrollment Agreement that failed to identify
26 the period covered by the Enrollment Agreement.

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1 92. The student files for R.I., C.P., J.E., C.L., J.D., L.C., and J.Z. contained an Enrollment
2 Agreement that failed to accurately identify the date by which the student must exercise their
3 right to cancel.

4 93. The student files for D.G, J.P., R.I., T.S., C.P., S.P., L.C., A.V., and J.Z. contained an
5 Enrollment Agreement that did not identify or charge the STRF assessment charges.

6 94. The student file for L.C. contained an Enrollment Agreement that failed to accurately
7 identify the total charges the student was obligated to pay. The fourth page of the Enrollment
8 Agreement lists the total cost of the program as \$3,400; however, the first page identifies the total
9 charges as \$3,500.

10 95. The student files for D.G, R.I., E.R., C.P., S.P., C.L., J.D., and K.K. did not contain
11 documentation of the dates of attendance, withdrawal, or completion.

12 96. The student files for D.G, J.P., R.I., E.R., C.P., S.P., J.E., C.L., J.D., K.K., A.V., and
13 J.Z. did not contain a document showing total amount of money received by or on behalf of the
14 student.

15 97. The student files for C.P., S.P., J.D., and Y.R. contain documentation demonstrating
16 that they are no longer attending Dolphin, but that they did not complete their educational
17 program. The student files do not contain a document specifying the amount of a refund including
18 the method of calculating the refund.

19 98. The school did not collect a STRF assessment fee for each student enrolled in a
20 residency program in California as follows:

21 (a) The student files for D.G., R.I., C.P., and A.V. contained an Enrollment Agreement that
22 failed to charge the required fee for the Student Tuition Recovery Fund. For these students, the
23 STRF assessment fee was \$.50 per \$1000 of tuition, based on the date of enrollment.

24 (b) The student files for J.P., T.S., S.P., and J.Z. contained an Enrollment Agreement that
25 failed to charge the required fee for the Student Tuition Recovery Fund. For these students, the
26 STRF assessment fee was \$2.50 per \$1000 of tuition, based on the date of enrollment.

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1 99. The student files for D.G, J.P., R.I., E.R., T.S., C.P., S.P., J.E., C.L., J.D., K.K., L.C.,
2 and A.V. did not contain a transcript showing the courses that were completed or attempted and
3 not completed.

4 100. The student files for J.P., T.S., and K.K. contained an Enrollment Agreement that did
5 not contain a signature from an authorized representative of the institution.

6 101. The student file for J.P. contained a SPFS that failed to contain a signature from an
7 authorized school representative. The school and J.P. did not sign and date the required SPFS
8 prior to executing the Enrollment Agreement, which made the Enrollment Agreement
9 unenforceable. Also, the student file for C.L. contained a SPFS that failed to contain a date the
10 document was signed by an authorized school representative.

11 102. Students J.D. and Y.R. did not receive the SPFS, prior to signing their Enrollment
12 Agreement. Therefore, the students and the institution did not sign and date the required SPFS
13 disclosures prior to executing the Enrollment Agreement, making the students' Enrollment
14 Agreements unenforceable. Also, the student file for J.D. contained a SPFS which was initialed
15 by the student but did not contain signatures from the student or the school. The student file for
16 Y.R. contained a SPFS that was signed two days after the Enrollment Agreement was executed.

17 103. The student file for D.G. contained an Enrollment Agreement that did not accurately
18 identify the charges for a period of attendance on the same page as the student signature or the
19 charges for the entire educational program.

20 104. The student files for D.G, J.P., R.I., E.R., T.S., C.P., S.P., J.E., C.L., J.D., L.C., A.V.,
21 J.Z., and Y.R. contained an Enrollment Agreement where the required disclosure regarding
22 transferability of credits was missing program information.

23 105. The school failed to submit their 2020 Annual Report.

24 **July 11, 2023 Complaint**

25 106. On or about July 11, 2023, the Bureau received a complaint from former student,
26 C.M., alleging that respondent failed to provide the full educational program advertised for the
27 Commercial Driver's License Training Course.

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1 107. The Bureau investigator discovered that the 2023 Course Catalog stated the course
2 description for the Class A Commercial Driver’s License would include, proper use of clutch and
3 gears, but C.M. only received training on an automatic transmission truck.

4 108. The school failed to have equipment that is sufficient for instructional purposes and
5 failed to properly maintain the campus environs. An instructor at Dolphin, K.D. stated that while
6 he was an instructor at the school, the school did not complete regular inspections, maintenance,
7 or safety checks on their equipment.

8 109. The investigator discovered that the school was not providing the educational
9 program in a logically organized manner or sequence. The school did not provide all of the
10 educational modules or components of the educational program to C.M. as listed in the School
11 Catalog. The school only provided C.M. with one hour of behind the wheel training at the time of
12 her initial DMV test. According to C.M., the school falsified a document reflecting training she
13 had not received in order to qualify for the DMV test. The school asked C.M. to sign the
14 document, but she refused. C.M. requested a refund from the school, but the school refused.

15 110. The school failed to employ instructors who possess the academic, experiential and
16 professional qualifications to teach. Instructor, K.D., told the investigator that he did not meet the
17 education, training, and experience requirements to teach at Dolphin. K.D. completed his
18 education at Dolphin in December 2022 and was offered an instructor position in January 2023
19 despite having no experience in the industry prior to being a student at Dolphin.

20 111. The school also did not accurately document the actual hours that each student
21 attended. C.M. told the investigator that students would come and go at their leisure and that
22 hours were not recorded on the sign-in sheets. K.D. confirmed that while he was a student at
23 Dolphin, there was a sign in sheet, but not times were recorded on them and that he did not
24 receive classroom instruction or any instruction on safety regulations or DOT standards. K.D.
25 also told the investigator that while he was an instructor at Dolphin, that the owners instructed
26 him not to record times on sign-in sheets.

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1 **FIRST CAUSE FOR DISCIPLINE**

2 **(Untrue or Misleading Statements)**

3 112. Respondent has subjected its Approval to Operate to disciplinary action under Code
4 sections 94937 and 94897, subdivision (j), in that respondent made multiple untrue or misleading
5 statements. The 2020 School Catalog states that all instructors have at least five years of
6 experience in the industry, but instructor J.R. was teaching at the school and did not have at least
7 five years of experience in the industry. The 2020 School Catalog also states that the school does
8 not participate in state financial aid programs, but the school accepted workforce funds from
9 EDD. In addition, the school failed to accurately document the hours students attended. The
10 attendance record for D.G. stated that he had completed the program at a time when he had not
11 yet completed the required number of hours, had not received all of the listed course modules,
12 and had not taken a final exam. Complainant realleges paragraphs 41 through 53 as though fully
13 set forth herein.

14 **SECOND CAUSE FOR DISCIPLINE**

15 **(Failure to Notify the Bureau of a Non-Substantive Change)**

16 113. Respondent has subjected its Approval to Operate to disciplinary action under Code
17 section 94937, in conjunction with California Code of Regulations, title 5, section 71660, in that
18 respondent failed to notify the Bureau of an addition of a refresher course related to the programs
19 respondent was approved to offer. Complainant realleges paragraphs 41 through 53 as though
20 fully set forth herein.

21 **THIRD CAUSE FOR DISCIPLINE**

22 **(Failure to Comply with Educational Program Requirements)**

23 114. Respondent has subjected its Approval to Operate to disciplinary action under Code
24 section 94937 in that respondent failed to comply with the following regulations:

- 25 a. Section 71710, subdivision (a): Respondent failed to provide instruction in all of the
26 subject areas necessary for a student to achieve the stated educational objectives.
- 27 b. Section 71710, subdivision (b): Respondent failed to provide the educational program in
28 a logically organized manner or sequence. The school offered rolling enrollment

1 without tracking delivery of educational modules or components of the educational
2 program. The school combines all courses no matter the course in which the student is
3 enrolled or the length of the enrollment.

4 c. Section 71710, subdivision (c): Respondent failed to provide a course syllabus to each
5 student.

6 d. Section 71710, subdivision (f): Respondent failed to provide an educational program
7 that included evaluation by duly qualified faculty of the learning outcomes.

8 e. Section 71715, subdivision (b): Respondent failed to document that the instruction
9 offered leads to the achievement of the learning objectives of each course. The school
10 failed to provide the entire educational program to all students and does not administer
11 their final exam to determine if students had achieved the educational objectives. The
12 school also failed to provide certificates of completion to students who completed the
13 course.

14 Complainant realleges paragraphs 41 through 111 as though fully set forth herein.

15 **FOURTH CAUSE FOR DISCIPLINE**

16 **(Merger of Classes)**

17 115. Respondent has subjected its Approval to Operate to disciplinary action under Code
18 sections 94937 and 94898, subdivision (a), in that respondent merged classes in which not all of
19 the students had received the same amount of instruction. Respondent's merger of its classes
20 impaired the students' learning of the subject matter. Complainant realleges paragraphs 41
21 through 105 as though fully set forth herein.

22 **FIFTH CAUSE FOR DISCIPLINE**

23 **(Equipment and Campus Environs)**

24 116. Respondent has subjected its Approval to Operate to disciplinary action under Code
25 section 94937, in conjunction with California Code of Regulations, title 5, section 71735,
26 subdivisions (a)(2) and (b), in that respondent failed to have and maintain equipment sufficient
27 for instructional purposes. Respondent also failed to properly maintain its campus environs,
28

1 including the yard on which students were receiving instruction. Complainant realleges
2 paragraphs 41 through 111, as though fully set forth herein.

3 **SIXTH CAUSE FOR DISCIPLINE**

4 **(Faculty)**

5 117. Respondent has subjected its Approval to Operate to disciplinary action under Code
6 section 94937, in conjunction with California Code of Regulations, title 5, section 71720,
7 subdivision (b)(1) and (b)(2), in that respondent employed instructors who did not possess the
8 academic, professional qualifications, experiences, and/or training required in order to provide
9 instruction; and the instructors failed to participate in continuing education courses. Complainant
10 realleges paragraphs 41 through 111, as though fully set forth herein.

11 **SEVENTH CAUSE FOR DISCIPLINE**

12 **(Failure to Comply with School Catalog Requirements)**

13 118. Respondent has subjected its Approval to Operate to disciplinary action under Code
14 section 94937 in that respondent failed to comply with the following requirements for its school
15 catalog:

- 16 a. Code section 94909, subdivision (a)(8)(C): The 2020 School Catalog did not contain
17 conduct and dismissal policies that were included in the Student Orientation Packet.
- 18 b. Code section 94909, subdivision (a)(9) and title 5, California Code of Regulations
19 section 71800, subdivisions (e)(6), (e)(8), (e)(12), and (f): The Student Orientation
20 Packet includes disclosures regarding fees a student may incur that are not disclosed in
21 the 2020 School Catalog or enrollment agreement, including costs for protective
22 clothing, tutoring, other charges, fees, and charges paid to another entity that are
23 required for participation in the educational program.
- 24 c. Title 5, California Code of Regulations section 71810, subdivision (a): Respondent
25 provided a school catalog that was not updated annually.
- 26 d. Title 5, California Code of Regulations section 71750, subdivision (c)(3): The 2020
27 School Catalog lists supplies and materials as a non-refundable charge without
28 specifying whether and under what circumstances they are non-refundable.

- 1 e. Title 5, California Code of Regulations section 71620, subdivision (a): The 2020 School
2 Catalog states that there is no STRF fee for six of the seven courses offered, which did
3 not reflect the then-current STRF fee of \$0.50 per \$1000.
- 4 f. Code section 94909, subdivision (a)(4): The 2020 School Catalog does not include a
5 statement regarding where class sessions will be held for each program offered.
- 6 g. Title 5, California Code of Regulations, sections 71810, subdivision (b)(7), and 71770,
7 subdivision (c): The 2020 School Catalog does not include a statement regarding the
8 policy for prior experiential learning and all required information regarding the policy.
- 9 h. Title 5, California Code of Regulations, section 71810, subdivision (b)(3): The 2020
10 School Catalog does not include a statement regarding whether the school accepts
11 students from other countries or if visa services are offered and any costs associated.
- 12 i. Code section 94909, subdivision (a)(9): The 2020 School Catalog does not include the
13 total charges for a period of attendance.
- 14 j. Title 5, California Code of Regulations, section 71810, subdivision (b)(6): The 2020
15 School Catalog does not include the required disclosures and policies regarding the
16 acceptance of state financial aid.
- 17 k. Title 5, California Code of Regulations, section 71810, subdivision (b)(12): The 2020
18 School Catalog does not include a description of all student services offered by the
19 school.

20 Complainant realleges paragraphs 41 through 53 as though fully set forth herein.

21 **EIGHTH CAUSE FOR DISCIPLINE**

22 **(Failure to Maintain Required Institutional Records)**

23 119. Respondent has subjected its Approval to Operate to disciplinary action under Code
24 sections 94937 and 94900.5, subdivisions (b) and (c), and title 5, California Code of Regulations
25 section 71930, subdivision (a), in that respondent failed to maintain records of the names,
26 addresses, and educational qualifications of all members of its faculty. In addition to maintaining
27 these records, respondent also failed to provide these records for instructors listed on their faculty
28 list and also failed to develop and maintain adequate procedures to ensure compliance with

1 Bureau laws and regulations. Complainant realleges paragraphs 41 through 105, as though fully
2 set forth herein.

3 **NINTH CAUSE FOR DISCIPLINE**

4 **(Failure to Maintain Required Student Records)**

5 120. Respondent has subjected its Approval to Operate to disciplinary action under Code
6 sections 94937 in that respondent failed to comply with the following requirements for the
7 maintenance of student records:

- 8 a. Code section 94900, subdivisions (b)(1), (b)(2), and (b)(3): D.G.'s student file did not
9 contain a copy of the certificate granted, the date on which it was granted, the courses
10 on which the certificate was based, and the grades in those courses.
- 11 b. Title 5, California Code of Regulations section 71920, subdivision (b)(9): D.G.'s
12 student file did not contain a document showing the total amount of money received
13 from or on behalf of D.G.
- 14 c. Code section 94900, subdivisions (b)(1), (b)(2), and (b)(3), and title 5, California Code
15 of Regulations sections 71920, subdivisions (b)(5)(A-E) and 71930, subdivision (b)(1):
16 D.G.'s student file did not contain a transcript showing the courses D.G. completed or
17 attempted and did not complete.

18 Complainant realleges paragraphs 41 through 53 as though fully set forth herein.

19 **TENTH CAUSE FOR DISCIPLINE**

20 **(School Performance Fact Sheet Substantiating Data)**

21 121. Respondent has subjected its Approval to Operate to disciplinary action under Code
22 section 94937, in conjunction with California Code of Regulations, title 5, section 74112,
23 subdivision (m), in that respondent failed to track all of the required substantiating data.
24 Respondent failed to track at least the following required information: 1) student information and
25 addresses; 2) employment information including addresses, contact persons, contact emails, and
26 documentation for students "unavailable for graduation or employment;" and 3) school personnel
27 who were primarily responsible for collecting the data. Respondent's failure to track the required
28 substantiating data rendered the Bureau's inspector unable to validate the "Gainfully Employed"

1 categories listed on respondent's 2018-2019 SPFS. Complainant realleges paragraphs 41 through
2 53 as though fully set forth herein.

3 **ELEVENTH CAUSE FOR DISCIPLINE**

4 **(Financial Statements)**

5 122. Respondent has subjected its Approval to Operate to disciplinary action under Code
6 section 94937, in conjunction with California Code of Regulations, title 5, section 71745,
7 subdivision (c) in that respondent failed to provide to the Bureau its most current financial
8 statements upon request. Complainant realleges paragraphs 41 through 53 as though fully set
9 forth herein.

10 **TWELFTH CAUSE FOR DISCIPLINE**

11 **(Prohibited Business Practices)**

12 123. Respondent has subjected its Approval to Operate to disciplinary action under Code
13 section 94897, subdivision (j), in that respondent made multiple untrue or misleading statements
14 as set forth more particularly in paragraphs 56 through 62. Complainant realleges paragraphs 54
15 through 105 as though fully set forth herein.

16 **THIRTEENTH CAUSE FOR DISCIPLINE**

17 **(Falsified Records/Documents)**

18 124. Respondent has subjected its Approval to Operate to disciplinary action under Code
19 section 94897, subdivision (k), in that respondent falsified a record and other document as set
20 forth more particularly in paragraph 63. Complainant realleges paragraphs 54 through 111 as
21 though fully set forth herein.

22 **FOURTEENTH CAUSE FOR DISCIPLINE**

23 **(School Catalog – Failure to Include Requirements for Licensure)**

24 125. Respondent has subjected its Approval to Operate to disciplinary action under Code
25 sections 94905, subdivision (a) and 94909, subdivision (a)(6) in that respondent did not provide
26 students with a School Catalog that includes all of the requirements for licensure in California as
27 set forth more particularly in paragraph 64. Complainant realleges paragraphs 54 through 105 as
28 though fully set forth herein.

1 **FIFTEENTH CAUSE FOR DISCIPLINE**

2 **(Educational Program Deficiencies)**

3 126. Respondent has subjected its Approval to Operate to disciplinary action under Code
4 section 94937, in conjunction with California Code of Regulations, title 5, section 71710,
5 subdivisions (a)(1), (a)(2), (a)(3)(A-G), (a)(5), and (a)(6) in that respondent failed to provide all
6 of the subject areas necessary to achieve the stated educational objectives, did not provide the
7 educational program in a logically organize manner or sequence, did not provide the course
8 syllabus to each student, did not provide specific learning outcomes tied to the sequence of the
9 presentation of materials, or provide evaluation of students by a qualified faculty, as set forth
10 more particularly in paragraphs 65 through 69. Complainant realleges paragraphs 54 through 111
11 as though fully set forth herein.

12 **SIXTEENTH CAUSE FOR DISCIPLINE**

13 **(Instruction)**

14 127. Respondent has subjected its Approval to Operate to disciplinary action under Code
15 section 94937, in conjunction with California Code of Regulations, title 5, section 71715,
16 subdivision (b), in that respondent failed to document that the instruction offered leads to the
17 achievement of the learning objectives for each course as set forth more particularly in paragraph
18 70. Complainant realleges paragraphs 54 through 111 as though fully set forth herein.

19 **SEVENTEENTH CAUSE FOR DISCIPLINE**

20 **(Administration)**

21 128. Respondent has subjected its Approval to Operate to disciplinary action under Code
22 section 94937, in conjunction with California Code of Regulations, title 5, section 71730,
23 subdivisions (d) and (f), in that respondent failed to properly administer the educational program
24 and failed to employ administrative personnel with the expertise to operate the educational
25 programs as set forth more particularly in paragraphs 74 through 75. Complainant realleges
26 paragraphs 54 through 105 as though fully set forth herein.

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1 **EIGHTEENTH CAUSE FOR DISCIPLINE**

2 **(Self-Monitoring Procedures)**

3 129. Respondent has subjected its Approval to Operate to disciplinary action under Code
4 section 94937, in conjunction with California Code of Regulations, title 5, section 71760, in that
5 respondent failed to provide documentation showing how the school maintains compliance with
6 the Bureau's laws and regulations as set forth more particularly in paragraph 74. Complainant
7 realleges paragraphs 54 through 105 as though fully set forth herein.

8 **NINETEENTH CAUSE FOR DISCIPLINE**

9 **(School Catalog - Website)**

10 130. Respondent has subjected its Approval to Operate to disciplinary action under Code
11 section 94937, in conjunction with California Code of Regulations, title 5, section 71810,
12 subdivision (a), in that respondent had an expired School Catalog on its website and failed to have
13 the School Catalog updated annually as set forth more particularly in paragraph 76. Complainant
14 realleges paragraphs 54 through 105 as though fully set forth herein.

15 **TWENTIETH CAUSE FOR DISCIPLINE**

16 **(Maintenance of Records)**

17 131. Respondent has subjected its Approval to Operate to disciplinary action under Code
18 section 94937, in conjunction with California Code of Regulations, title 5, section 71930,
19 subdivisions (a) and (e), in that respondent failed to maintain required records as set forth more
20 particularly in paragraph 77. Complainant realleges paragraphs 54 through 105 as though fully set
21 forth herein.

22 **TWENTY-FIRST CAUSE FOR DISCIPLINE**

23 **(School Performance Fact Sheet Substantiating Data)**

24 132. Respondent has subjected its Approval to Operate to disciplinary action under Code
25 section 94937, in conjunction with California Code of Regulations, title 5, section 74112,
26 subdivision (m)(1-9), in that respondent failed to track all of the required substantiating data and
27 information as set forth more particularly in paragraph 78. Complainant realleges paragraphs 54
28 through 105 as though fully set forth herein.

1 **TWENTY-SECOND CAUSE FOR DISCIPLINE**

2 **(Website Requirements)**

3 133. Respondent has subjected its Approval to Operate to disciplinary action under Code
4 sections 94937 and 94913, subdivisions (a)(1), (a)(2), and (a)(5), in conjunction with California
5 Code of Regulations, title 5, section 74117, in that respondent failed to have the current School
6 Catalog on their website and failed to have up-to-date SPFSs or the most recent annual report
7 posted on their website as set forth more particularly in paragraphs 76 and 79. Complainant
8 realleges paragraphs 54 through 105 as though fully set forth herein.

9 **TWENTY-THIRD CAUSE FOR DISCIPLINE**

10 **(Collection and Submission of Assessments)**

11 134. Respondent has subjected its Approval to Operate to disciplinary action under Code
12 sections 94937, in conjunction with California Code of Regulations, title 5, section 76130,
13 subdivision (a)(1), (b)(3), and (b)(4), in that respondent provided STRF backup data that showed
14 they failed to collect STRF assessment fees from all the students enrolled in the program and
15 failed to provide the required assessment forms and fees to the Bureau in a timely manner as set
16 forth more particularly in paragraphs 80 through 81. Complainant realleges paragraphs 54
17 through 105 as though fully set forth herein.

18 **TWENTY-FOURTH CAUSE FOR DISCIPLINE**

19 **(Record Keeping Requirements – STRF Back Up Documentation)**

20 135. Respondent has subjected its Approval to Operate to disciplinary action under Code
21 section 94937, in conjunction with California Code of Regulations, title 5, section 76140,
22 subdivision (a), in that respondent provided STRF backup documentation with missing required
23 information as set forth more particularly in paragraphs 82 through 86. Complainant realleges
24 paragraphs 54 through 105 as though fully set forth herein.

25 **TWENTY-FIFTH CAUSE FOR DISCIPLINE**

26 **(Withdrawal and Refunds)**

27 136. Respondent has subjected its Approval to Operate to disciplinary action under Code
28 sections 94937 and 94920, subdivision (b), in conjunction with California Code of Regulations,

1 title 5, section 71750, subdivisions (a) and (b), in that respondent did not issue students proper
2 refunds as set forth more particularly in paragraph 89. Complainant realleges paragraphs 54
3 through 111 as though fully set forth herein.

4 **TWENTY-SIXTH CAUSE FOR DISCIPLINE**

5 **(Withdrawal Logs)**

6 137. Respondent has subjected its Approval to Operate to disciplinary action under Code
7 sections 94937, in conjunction with California Code of Regulations, title 5, section 71750,
8 subdivision (f), in that respondent failed to maintain withdrawal logs that were kept current on a
9 monthly basis as set forth more particularly in paragraph 90. Complainant realleges paragraphs 54
10 through 105 as though fully set forth herein.

11 **TWENTY-SEVENTH CAUSE FOR DISCIPLINE**

12 **(Enrollment Agreements)**

13 138. Respondent has subjected its Approval to Operate to disciplinary action under Code
14 section 94937, in conjunction with California Code of Regulations, title 5, section 71800,
15 subdivisions (b) and (d), in that respondent's enrollment agreements in student files failed to
16 identify the period covered and/or failed to accurately identify the right to cancel date as set forth
17 more particularly in paragraphs 91 through 92. Complainant realleges paragraphs 54 through 105
18 as though fully set forth herein.

19 **TWENTY-EIGHTH CAUSE FOR DISCIPLINE**

20 **(Enrollment Agreements – STRF Assessment Charges)**

21 139. Respondent has subjected its Approval to Operate to disciplinary action under Code
22 sections 94937 and 94911, subdivision (b), in conjunction with California Code of Regulations,
23 title 5, sections 71800, subdivision (e)(11) and 76120, subdivision (a) in that respondent's
24 enrollment agreements in student files failed to identify or charge the STRF Assessment charges
25 as set forth more particularly in paragraph 93. Complainant realleges paragraphs 54 through 105
26 as though fully set forth herein.

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1 **TWENTY-NINTH CAUSE FOR DISCIPLINE**

2 **(Enrollment Agreements – Program Charges)**

3 140. Respondent has subjected its Approval to Operate to disciplinary action under Code
4 sections 94937 and 94911, subdivision (b), in conjunction with California Code of Regulations,
5 title 5, section 71800, subdivision (e)(1-12), in that respondent’s enrollment agreements in student
6 files failed to accurately identify the total charges the students were obligated to pay as set forth
7 more particularly in paragraphs 56 through 58, and 94. Complainant realleges paragraphs 54
8 through 105 as though fully set forth herein.

9 **THIRTIETH CAUSE FOR DISCIPLINE**

10 **(Student Records)**

11 141. Respondent has subjected its Approval to Operate to disciplinary action under Code
12 section 94937, in conjunction with California Code of Regulations, title 5, section 71920,
13 subdivisions (b)(4), (b)(9), and (b)(10), in that respondent maintained student files that did not
14 contain the required documentation as set forth more particularly in paragraphs 95 through 97.
15 Complainant realleges paragraphs 54 through 105 as though fully set forth herein.

16 **THIRTY-FIRST CAUSE FOR DISCIPLINE**

17 **(STRF Assessment Amounts)**

18 142. Respondent has subjected its Approval to Operate to disciplinary action under Code
19 section 94937, in conjunction with California Code of Regulations, title 5, section 76120,
20 subdivision (a), in that respondent failed to collect STRF assessment fees for each student
21 enrolled in the program as set forth more particularly in paragraph 98. Complainant realleges
22 paragraphs 54 through 105 as though fully set forth herein.

23 **THIRTY-SECOND CAUSE FOR DISCIPLINE**

24 **(Maintenance of Student Records)**

25 143. Respondent has subjected its Approval to Operate to disciplinary action under Code
26 sections 94937 and 94000, subdivision (b)(1-3), in conjunction with California Code of
27 Regulations, title 5, sections 71920, subdivision (b)(5)(A-E) and 71930, subdivision (b)(1), in that
28 respondent failed to properly maintain student files and did not include a transcript showing the

1 courses that were completed or attempted or not completed as set forth more particularly in
2 paragraph 99. Complainant realleges paragraphs 54 through 105 as though fully set forth herein.

3 **THIRTY-THIRD CAUSE FOR DISCIPLINE**

4 **(General Enrollment Requirements)**

5 144. Respondent has subjected its Approval to Operate to disciplinary action under Code
6 sections 94937 and 94902, subdivision (a), in that respondent failed to properly execute
7 enrollment agreements that contained the required signatures as set forth more particularly in
8 paragraph 100. Complainant realleges paragraphs 54 through 105 as though fully set forth herein.

9 **THIRTY-FOURTH CAUSE FOR DISCIPLINE**

10 **(General Enrollment Requirements - SPFS)**

11 145. Respondent has subjected its Approval to Operate to disciplinary action under Code
12 sections 94937, 94902, subdivision (b)(3) and 94912, in that respondent failed to maintain proper
13 SPFS documentation in student files as set forth more particularly in paragraph 101. Complainant
14 realleges paragraphs 54 through 105 as though fully set forth herein.

15 **THIRTY-FIFTH CAUSE FOR DISCIPLINE**

16 **(General Enrollment Requirements – Failed to Receive SPFS)**

17 146. Respondent has subjected its Approval to Operate to disciplinary action under Code
18 sections 94937, 94902, subdivision (b)(1) and (b)(3), 94910, and 94912, in that respondent failed
19 to maintain proper SPFS documentation in student files and failed to provide the SPFS to students
20 prior to signing the enrollment agreement as set forth more particularly in paragraph 102.
21 Complainant realleges paragraphs 54 through 105 as though fully set forth herein.

22 **THIRTY-SIXTH CAUSE FOR DISCIPLINE**

23 **(Enrollment Agreements – Failure to Meet Minimum Requirements)**

24 147. Respondent has subjected its Approval to Operate to disciplinary action under Code
25 sections 94937 and 94911, subdivision (c), in that the student file for D.G. contained an
26 enrollment agreement that did not accurately identify the charges as required, as set forth more
27 particularly in paragraph 103. Complainant realleges paragraphs 54 through 105 as though fully
28 set forth herein.

1 **THIRTY-SEVENTH CAUSE FOR DISCIPLINE**

2 **(Enrollment Agreements – Failure to Meet Minimum Requirements)**

3 148. Respondent has subjected its Approval to Operate to disciplinary action under Code
4 sections 94937 and 94911, subdivision (h), in that student files contained enrollment agreements
5 where the required disclosure regarding transferability of credits was missing program
6 information as set forth more particularly in paragraph 104. Complainant realleges paragraphs 54
7 through 105 as though fully set forth herein.

8 **THIRTY-EIGHTH CAUSE FOR DISCIPLINE**

9 **(Failure to Submit 2020 Annual Report)**

10 149. Respondent has subjected its Approval to Operate to disciplinary action under Code
11 sections 94937 and 94929, subdivision (a), 94929.5, subdivision (a)(1-3), and 94934, subdivision
12 (a)(1-9), in conjunction with California Code of Regulations, title 5, sections 74110, subdivisions
13 (a)(1-6), (b), (c), and (d), in that respondent failed to submit their 2020 Annual Report as set forth
14 more particularly in paragraph 105. Complainant realleges paragraphs 54 through 105 as though
15 fully set forth herein.

16 **PRAYER**

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

20 1. Revoking Approval to Operate Institution Code Number 36348745, issued to Dolphin
21 Trucking School, Dolphin Trucking School, Inc., Carla Galvez, owner;

22 2. Ordering Dolphin Trucking School, Inc. to pay the Bureau for Private Postsecondary
23 Education the reasonable costs of the investigation and enforcement of this case, pursuant to
24 Business and Professions Code section 125.3; and,

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3. Taking such other and further action as deemed necessary and proper.

DATED: 12/7/2023

“Original Signature on File”
DEBORAH COCHRANE
Chief
Bureau for Private Postsecondary
Education
Department of Consumer Affairs
State of California
Complainant