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

In the Matter of the Accusation Against:

**BUSINESS AND INSURANCE SCHOOL
150 Paularino Avenue, Ste. D 176,
Costa Mesa, CA 92626**

**Mailing Address:
3400 Irvine Avenue, Ste. 218
Newport Beach, CA 92660**

Institution Code Number 64494378

Respondent.

Case No. 1002785

DEFAULT DECISION AND ORDER

[Gov. Code, §11520]

FINDINGS OF FACT

1. On or about June 17, 2021, Complainant Deborah Cochrane, in her official capacity as the Chief of the Bureau for Private Postsecondary Education (Bureau), Department of Consumer Affairs, filed Accusation Number 1002785 against Business and Insurance School (Respondent), owned by Cyber Insurance Group Corporation, before the Director of the Department of Consumer Affairs. (Accusation attached as Exhibit A.)

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1 2. On or about January 20, 2016, the Bureau issued Approval to Operate Institution
2 Code Number 64494378 to Respondent. The approval to operate was in full force and effect at
3 all times relevant to the charges brought in Accusation Number 1002785 and expired on January
4 19, 2021.

5 3. This lapse in licensure, however, pursuant to Business and Professions Code (Code)
6 section 118(b) does not deprive the Bureau of its authority to institute or continue this disciplinary
7 proceeding.

8 4. On or about June 18, 2021, Respondent was served by Certified and First Class Mail
9 copies of the Accusation No. 1002785, Statement to Respondent, Notice of Defense, Request for
10 Discovery, and Discovery Statutes (Government Code sections 11507.5, 11507.6, and 11507.7) at
11 Respondent's address of record maintained with the Bureau. Respondent's addresses of record
12 was and is: 150 Paularino Avenue, Ste. D 176, Costa Mesa, CA 92626. These documents were
13 also served by Certified and First Class Mail to 3400 Irvine Avenue, Ste. 218, Newport Beach,
14 CA 92660.

15 5. Service of the Accusation was effective as a matter of law under the provisions of
16 Government Code section 11505, subdivision (c) and/or Code section 124.

17 6. On or about July 19, 2021, Respondent served a Notice of Defense requesting a
18 hearing in this matter. On or about September 10, 2021, a Notice of Hearing was served by mail
19 at the address provided by Respondent, which informed it that an administrative hearing in this
20 matter was scheduled for April 26, 2022, at the Office of Administrative Hearing located at 402
21 West Broadway, Suite 600, San Diego, CA 92101. The Notice of Hearing also informed
22 Respondent of the Mandatory Settlement Conference scheduled for February 18, 2022.
23 Respondent failed to appear at the Mandatory Settlement Conference and that matter was taken
24 off calendar.

25 7. On or about November 23, 2021, the Office of Administrative Hearings issued an
26 Order Converting the Matter to Remote Hearing, which was served on Respondent at the address
27 provided by Respondent and by electronic mail.

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1 8. The matter was called for hearing on the date, time and location set forth in the
2 Notice of Hearing. Counsel for Complainant appeared and informed the Administrative Law
3 Judge that Respondent requested a continuance on the morning of the hearing by telephone, and
4 that counsel for Complainant opposed. The assigned Administrative Law Judge found that the
5 service of the Notice of Hearing on Respondent was proper. There was no appearance by or on
6 behalf of Respondent. A default was declared and on motion of counsel for Complainant, the
7 matter was remanded to the Director of the Department of Consumer Affairs (Director) under
8 Government Code section 11520.

9 9. California Government Code section 11520, subdivision (a) states, in pertinent part:

10 If the respondent either fails to file a notice of defense . . . or to appear at the
11 hearing, the agency may take action based upon the respondent's express admissions
12 or upon other evidence and affidavits may be used as evidence without any notice to
13 respondent

14 10. Pursuant to its authority under Government Code section 11520, the Director finds
15 Respondent is in default. The Director will take action without further hearing and, based on the
16 relevant evidence contained in the Default Decision Investigatory Evidence Packet in this matter,
17 finds that the charges and allegations in Accusation Number 1002785, are separately and
18 severally, found to be true and correct by clear and convincing evidence.

19 11. The Director finds that the actual costs for Investigation and Enforcement are 19
20 \$27,262.62 as of April 20, 2022.

DETERMINATION OF ISSUES

21 1. Based on the foregoing findings of fact, Respondent Business and Insurance School,
22 owned by Cyber Insurance Group Corporation, has subjected its Approval to Operate Institution
23 No. 64494378, to discipline.

24 2. The agency has jurisdiction to adjudicate this case by default.

25 3. The Director of the Department of Consumer Affairs is authorized to revoke
26 Respondent's Institution based upon the following violations alleged in the Accusation which are
27 supported by the evidence contained in the Default Decision Investigatory Evidence Packet in this
28 case:

1 a. Respondent has subjected its approval to operate to disciplinary action under
2 California Education Code section 94898, subdivision (c), in conjunction with Education Code
3 section 94894 subdivision (g) for failing to notify the Bureau of a substantive change, such as a
4 change in the method of instructional delivery (online instruction), and receiving prior approval.

5 b. Respondent has subjected its approval to operate to disciplinary action under Code
6 section 94897 subdivision (b), (c), (d), (i)(1), l(1)(2), and (m) by engaging in prohibited business
7 practices in its marketing materials and its noncompliant grievance policy.

8 c. Respondent has subjected its approval to operate to disciplinary action under Code
9 section 94898, subdivision (c), by converting student AD's instruction to online instruction.

10 d. Respondent has subjected its approval to operate to disciplinary action by not
11 ensuring that students had high school diplomas and/or passed Ability-to-Benefit (ATB) tests
12 prior to signing enrollment agreements, as required by Code section 94904.

13 e. Respondent has subjected its approval to operate to disciplinary action under Code
14 section 94920, subdivision (d), in that Respondent failed to issue a refund to CJ and to AD after
15 releasing student AD prior to her completion of the program.

16 f. Respondent has subjected its approval to operate to disciplinary action under Code
17 section 94927 by failing to provide student AD with the option to cancel her enrollment
18 agreement and offer a pro-rata refund, when it no longer offered in person/classroom based
19 instruction.

20 g. Respondent has subjected its approval to operate to disciplinary action under Code
21 section 94937(a)(2), in conjunction with title 5, CCR, section 71660, for failing to notify the
22 Bureau of a non-substantive change such as the addition of the following programs "Ethics, A
23 Modern Approach," "Insurance Policies, An Essential Resource," and "Principles for Insurance
24 Professionals" related to the approved programs offered by it within 30 days of the change.

25 h. Respondent has subjected its approval to operate to disciplinary action under Code
26 section 94937(a)(2) in conjunction with title 5, CCR, section 71920, for failing to maintain
27 student files.

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1 i. Respondent has subjected its approval to operate to disciplinary action under Code
2 section 94937(a)(2) in conjunction with title 5, CCR, section 71930 subdivision (e) and CCR,
3 title 5, section 76140, for failing to make student records, CEO and faculty files immediately
4 available by the institution for inspection and copying during normal business hours by the
5 Bureau and any entity authorized to conduct.

6 j. Respondent has subjected its approval to operate to disciplinary action under Code
7 section 94937(a)(2) in conjunction with title 5, CCR, section 74112, subdivision (m), in that
8 Respondent did not submit School Performance Fact Sheet supporting data in electronic format
9 upon request from Inspector LC.

10 k. Respondent has subjected its approval to operate to disciplinary action under Code
11 section 94937(a)(2) in conjunction with title 5, CCR, section 76140, in that Respondent did not
12 maintain or produce any records of student information to substantiate the data reported on the
13 STRF Assessment Reporting Form and records of students' eligibility under the Fund.

14 **ORDER**

15 IT IS SO ORDERED that Approval to Operate Institution Number 64494378, issued to
16 Respondent Business and Insurance School owned by Cyber Insurance Group Corporation, is
17 revoked.

18 Pursuant to Government Code section 11520, subdivision (c), Respondent may serve a
19 written motion requesting that the Decision be vacated and stating the grounds relied on within
20 seven (7) days after service of the Decision on Respondent. The agency in its discretion may
21 vacate the Decision and grant a hearing on a showing of good cause, as defined in the statute.

22 This Decision shall become effective on “June 10, 2022”.

23 It is so ORDERED “May 6, 2022”

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25
26 RYAN MARCROFT
27 DEPUTY DIRECTOR
28 ~~LEGAL AFFAIRS DIVISION~~
DEPARTMENT OF CONSUMER AFFAIRS

Attachment: Exhibit A: Accusation