



Bureau for Private Postsecondary Education
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APPEAL OF CITATION INFORMAL CONFERENCE
DECISION: CITATION MODIFIED

September 3, 2020

California Coast University Employee Ownership Trust (ESOT), Owner
California Coast University
925 N. Spurgeon St.
Santa Ana, CA 92701

Date of Issuance	Citation Number	Institution Code
September 3, 2020	1920310	3000321

On July 17, 2020, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 1920310 (Citation) against California Coast University Employee Ownership Trust (ESOT), Owner of California Coast University (Institution). In attendance were California Coast University, Beth Danielson, Enforcement Chief and Christi Okuma, Director of Compliance and Operations.

Pursuant to Business and Professions Code, section 125.9; California Education Code, section 94936; and Title 5 of the California Code of Regulations, section 75020 and section 75040, the Bureau for Private Postsecondary Education (Bureau) renders the following decision relative to your appeal of the Citation No. 1920310.

It is the decision of the Enforcement Chief that on July 28, 2020 Citation No. 1920310 is modified and makes the following change(s):

VIOLATION CODE SECTIONS

#	Below you will find the California Education Code (CEC) and/or Title 5 of the California Code of Regulations (5, CCR code) section(s) of law you are charged with violating.
1.	<u>Violation:</u> <i>“(h) Completion Rates. Reporting of completion rates for an institution’s Annual Report and Performance Fact Sheet shall include, for each educational program, the number of students who began the program as defined in subdivision (d)(1) of this section, the number of students available for graduation, number of on-time graduates, and completion rate(s). An optional table may be added to include completion rate data for students completing within 150% of the published program length. For an institution reporting completion data pursuant to section 94929(b) of the Code, completion data shall be separately reported for each program and the Performance Fact Sheet shall disclose, if true, that the completion data is being reported for students completing within 150% of the published program length, and that data is not being separately reported for students completing the program within 100% of the published program length. Programs that are more than one year in length which are reporting 150% Completion Rate will provide four calendar years of data.</i>

Completion rates shall be included in the Performance Fact Sheet in a format substantially similar to the chart below (dates, numbers, and other data shown are for example only):

On-time Completion Rates (Graduation Rates) (includes data for the two calendar years prior to reporting) Name of Educational Program (Program Length)

Calendar Year	Number of Students Who Began the Program	Students Available for Graduation	Number of On-time Graduates	On-Time Completion Rate
20XX	100	98	70	71%
20XY	80	80	55	69%

Students Completing Within 150% of the Published Program Length
Name of Educational Program (Program Length)

Calendar Year	Number of Students Who Began the Program	Students Available for Graduation	150% Graduates	150% Completion Rate
20XX	100	98	95	97%
20XY	80	80	78	98%
*20XZ	90	90	87	97%
*20YA	87	85	74	87%

*Included only if program is more than one year in length

Student's Initials: _____ Date: _____
Initial only after you have had sufficient time to read and understand the information.

(i) Job Placement Rates

(1) Any placement data required by sections 94910(b) and 94929.5(a) of the Code shall be reported for the number of students who began the program as defined in subdivision (d)(1) of this section for each reported calendar year.

(2) Placement is measured six months from the graduation date of each student. For programs that require passage of a licensing examination, placement shall be measured six months after the announcement of the examination results for the first examination available after a student completes an applicable educational program. Reporting of placement rates shall include for each educational program: the number of students who began the program, the number of graduates as defined in subdivision (b) section 94842 of the Code, the graduates available for employment, graduates employed

in the field and job placement rate(s).

(3) If the institution makes any claim related to preparing students for a job or regarding job placement,

the list required by section 94910(f)(2) of the Code shall identify the employment positions by using the Detailed Occupation or six-digit level of the Standard Occupational Classification codes.

(4) Placement rate shall be calculated as follows: the number of graduates employed in the field as defined in section 94928(e)(1) of the Code in conjunction with section 74112(d)(3) divided by the number of graduates available for employment as defined in section 94928(d) of the Code.

Job Placement rates and related disclosures shall be included in the Performance Fact Sheet in a

format

substantially similar to the charts below, (dates, numbers, and other data shown are for example only):

Name of Educational Program (Program Length)

<i>Calendar Year</i>	<i>Number of Students Who Began the Program</i>	<i>Number of Graduates</i>	<i>Graduates Available for Employment</i>	<i>Graduates Employed in Field</i>	<i>Placement Rate % Employed in the Field</i>
20XX	100	70	70	55	79%
20XY	80	55	55	20	36%

Part Time vs. Full Time Employment

	<i>Graduates Employed in the field 20 to 29 hours per week</i>	<i>Graduates Employed in the field at least 30 hours per week</i>	<i>Total Graduates Employed in the Field</i>
20XX	15	40	55
20XY	5	15	20

Single Position vs. Concurrent Aggregated Positions

	<i>Graduates Employed in the field in a Single Position</i>	<i>Graduates Employed in the field in Concurrent Aggregated Positions</i>	<i>Total Graduates Employed in the Field</i>
20XX	52	3	55
20XY	19	1	20

Self-Employed/Freelance Positions

	<i>Graduates Employed who are Self-Employed or Working Freelance</i>	<i>Total Graduates Employed in the Field</i>
20XX	3	55
20XY	5	20

Institutional Employment

	<i>Graduates Employed who are Self-Employed or Working Freelance</i>	<i>Total Graduates Employed in the Field</i>

20XX	15	55
20XY	5	20

(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; and 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 dates;*
- (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;*
- (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 unavailability, and the documentation of the unavailability; and*
- (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, 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."*

Violation: 5 CCR, Section 74112(h): Bureau staff reviewed the 2016-2017 SPFS and found that the Associate of Science in Business Administration, Bachelor of Science in Criminal Justice, and Master of Science in Psychology programs incorrectly reported the Number of Students Who Began the Program and Number for On-Time Graduates, as the information did not match the 2017 supporting documentation.

WITHDRAWN

Violation: 5 CCR, Section 74112(i)(1)(2)(3)(4): Bureau staff reviewed the 2016-2017 SPFS and found that the Institution failed to report the Job Placement and Gainfully Employed.

WITHDRAWN

Violation: 5 CCR, Section 74112(m)(1)(2)(3)(4)(5)(6)(7)(8)(9): Bureau staff reviewed the 2016-2017 SPFS supporting documentation and found that the documentation failed to contain the requirements as outlined in subsections (m)(1)(5)(6)(7)(8)(9). Furthermore, Bureau staff found that subsection (m)(3) contained Graduate's Place of Employment and Position but failed to contain the additional requirements as outlined in subsection (m)(3). In addition, Bureau staff found that

	<p>subsection (m)(4) only contained the Employer Name but failed to contain the other requirements outlined as outlined in subsection (m)(4).</p> <p><u>Order of Abatement:</u> The Bureau orders the Institution to submit a policy, or procedure, of how future compliance with 5, CCR Section 74112 will be maintained.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$5,000.00</u></p> <p>The administrative fine has been modified from <u>\$5,000.00</u> to <u>\$2,500.00</u>.</p>
TOTAL MODIFIED ADMINISTRATIVE FINE DUE: <u>\$2,500.00</u>	

ORDER OF ABATEMENT

The Bureau orders that you comply with the orders described in the 'Violation Code Sections' of this document and submit evidence of compliance within **30 days** from the date of this decision.

PENALTY – ASSESSMENT OF A FINE

Payment of the administrative fine is due within 30 days from the date of this decision. Please complete the Payment of Fine form. Payment must be made to the Bureau by check, or money order. Please include the citation number on the payment of the fine assessment. Payment of the administrative fine shall not constitute an admission of the violation(s) charged and shall be represented as satisfactory resolution of the matter for purposes of public disclosure. Payments may be mailed to:

Gabriella Perez, Discipline Citation Program
Bureau for Private Postsecondary Education
1747 N. Market Blvd., Suite 225
Sacramento, CA 95834

APPEAL OF CITATION

You *do not* have the right to request another Informal Conference to appeal this modified Citation. You *do*, however, have the right to appeal this affirmed or modified Citation through an Administrative Hearing. A hearing before an Administrative Law Judge will be scheduled and you will be notified of the hearing date. The hearing will be held pursuant to Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

If you do not wish to appeal this modified Citation you must withdraw your initial request for an Administrative Hearing, if one was made. Please complete and mail the enclosed Withdrawal – Request for Administrative Hearing within **30 Days** of the date of this decision.

EFFECTIVE DATE OF CITATION AND FINE ASSESSMENT

This modified Citation is effective on **September 3, 2020**. The Order of Abatement and payment are due by **October 2, 2020**.

Failure to abate the violation or to pay the administrative fine within the time allowed is grounds for denial of an application for an approval to operate or discipline. The Bureau will promptly take all appropriate action to enforce the Modified Citation and recover the civil penalties prescribed therein or found to be due after a hearing.

CONTACT INFORMATION

If you have any questions regarding this decision or desire further information, please contact Gabriella Perez, Citation Analyst, at (916) 574-8969 or at Gabriella.Perez@dca.ca.gov.

“Original signature on file”

“9/2/2020”

Christina Villanueva
Discipline Manager

Date

Enclosures

- Payment of Fine – Waiver of Appeal Rights
- Withdrawal- Request for Administrative Hearing
- Declaration of Service by Certified and First-Class Mail