



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

**CITATION MODIFIED**

September 15, 2015

Seth Caplan and Craig Hanriot  
 CR'U Institute of Cosmetology and Barbering  
 1233 Third Street Promenade  
 Santa Monica, CA 90401

Date of Issuance	Citation Number	Institution Code
September 15, 2015	1415057	19699899

On August 7, 2015, an informal conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 1415057 (Citation) against Seth Caplan and Craig Hanriot, Owners of CR'U Institute of Cosmetology and Barbering. In attendance were Joanne Wenzel, Bureau Chief, and Seth Caplan, Owner.

Pursuant to Business and Professions Code, §148; California Education Code (CEC), §94944; and Title 5 of California Code of Regulations (5 CCR), §75020 and §75040, the Bureau for Private Postsecondary Education (Bureau) renders the following decision relative to your appeal of the Citation No. 1415057.

It is the decision of the Bureau Chief that on September 15, 2015, Citation No. 1415057 is modified and makes the following change(s):

**VIOLATION CODE SECTIONS**

#	The California Education Code (CEC) and the California Code of Regulations (CCR). Below you will find the section(s) you are charged with violating.
1.	<p><b>MODIFIED</b></p> <p><b>Violation:</b>                      5, CCR 74110 (a-d) – Annual Report  <i>“(a) The annual report required by section 94934 of the Code shall include the information required by section 94934 for all educational programs offered in the prior calendar year. (b) In addition to the information required by section 94934 provided under penalty of perjury, the institution shall have</i></p>

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) An institution shall file its annual report by September 1st. 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. (d) The annual report shall be electronically filed by submitting the information required by section 94934 of the Code via the Bureau's website, electronically attaching, as directed, the School Performance Fact Sheet and the school catalog. An institution without the capability to submit the information electronically shall inform the Bureau not less than 45 days prior to the date the information is required by subdivision (c), and receive direction on alternative means of submission."

CEC 94934(a)(1-9) - Annual Report

"(a) As part of the compliance program, an institution shall submit an annual report to the bureau, under penalty of perjury, signed by a responsible corporate 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:

- (1) The total number of students enrolled by level of degree or for a diploma.
- (2) The number of degrees, by level, and diplomas awarded.
- (3) The degree levels and diplomas offered.
- (4) The Student Performance Fact Sheet, as required pursuant to Section 94910.
- (5) The school catalog, as required pursuant to Section 94909.
- (6) The total charges for each educational program by period of attendance. (7) A statement indicating whether the institution is, or is not, current in remitting Student Tuition Recovery Fund assessments.
- (8) A statement indicating whether an accrediting agency has taken any final disciplinary action against the institution.
- (9) Additional information deemed by the bureau to be reasonably required to ascertain compliance with this chapter."

On 4/7/14, the Bureau mailed a letter to the institution stating that the 2013 Annual Report must be submitted beginning 7/1/14 and no later than 9/1/14. On 11/4/14, the Bureau mailed a second letter to the institution stating that the Bureau had not received the required 2013 Annual Report by the 9/1/14 deadline. To date, the institution has failed to file its 2013 Annual Report.

Reason for modification: The institution submitted the 2013 Annual Report on August 7, 2015. Still missing the Performance Fact Sheet and Catalog.

The administrative fine for this violation has been modified from \$5,000.00 to \$500.00

**TOTAL MODIFIED ADMINISTRATIVE FINE DUE: \$500.00**



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:

Jody Wright, Discipline Citation Program  
Bureau for Private Postsecondary Education  
2535 Capitol Oaks Drive, Suite 400  
Sacramento, CA 95833

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 modified Citation through an Administrative Hearing, *only if* you initially requested one within 30 days from the issuance date of the original citation. 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 did not initially request an Administrative Hearing within 30 days from when the original citation was issued, you can no longer request one.

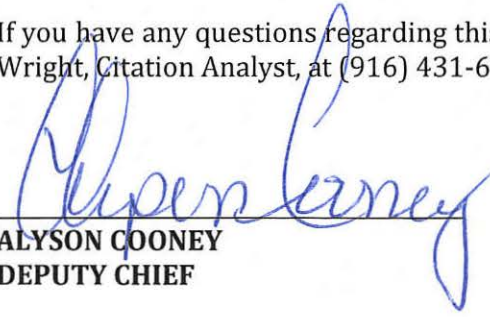
EFFECTIVE DATE OF CITATION AND FINE ASSESSMENT

This modified Citation is effective on September 15, 2015. The payment is due by **October 14, 2015**.

Failure 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 Jody Wright, Citation Analyst, at (916) 431-6940 or at [Jody.Wright@dca.ca.gov](mailto:Jody.Wright@dca.ca.gov).

  
ALYSON COONEY  
DEPUTY CHIEF

September 15, 2015

Enclosures

- Payment of Fine