



APPEAL OF CITATION INFORMAL CONFERENCE
DECISION: CITATION AFFIRMED

April 25, 2019

California Preparatory College, Inc., Owner
 California Preparatory College
 1250 E Cooley Dr.
 Colton, CA 92324

Date of Issuance	Citation Number	Institution Code
April 25, 2019	1819107	54190071

On March 14, 2019, an informal telephone conference was held in the matter of Citation: Order of Abatement No. 1819107 (Citation) against California Preparatory College, Inc., owner of California Preparatory College (Institution). In attendance were Beth Scott, Bureau Chief, and Gene Edelbach, CEO of California Preparatory College.

Pursuant to Business and Professions Code, §125.9; California Education Code, §94936; and Title 5 of the California Code of Regulations, §75020 and §75040, the Bureau for Private Postsecondary Education (Bureau) renders the following decision relative to your appeal of the Citation No. 1819107.

It is the decision of the Bureau Chief that on March 21, 2019 Citation No. 1819107 is affirmed for the following reason(s):

- No new substantive facts were presented at the conference.

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><u>Violation:</u> CEC Section 94885(a)(6) and (9)– Minimum Operating Standards <i>“(a) The bureau shall adopt by regulation minimum operating standards for an institution that shall reasonably ensure that all of the following occur: [...]</i> <i>(6) The institution is financially sound and capable of fulfilling its commitments to students. [...]</i> <i>(9) The institution is maintained and operated in compliance with this chapter and all other applicable ordinances and laws.”</i></p> <p>5, CCR Section 71745(a)(6)- Financial Resources. <i>“(a) The institution shall document that it has at all times sufficient assets and financial resources to</i></p>

do all of the following: [...]

(6) Maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal year when using generally accepted accounting principles, or for an institution participating in Title IV of the federal Higher Education Act of 1965, meet the composite score requirements of the U.S. Department of Education. For the purposes of this section, current assets does not include: intangible assets, including goodwill, going concern value, organization expense, startup costs, long-term prepayment of deferred charges, and non-returnable deposits, or state or federal grant or loan funds that are not the property of the institution but are held for future disbursement for the benefit of students. Unearned tuition shall be accounted for in accordance with general accepted accounting principles."

For the reasons stated above, the institution is in violation of these sections of law.

Order of Abatement:

The Bureau orders the institution to:

1. Submit a detailed plan to address its financial shortfalls and to [meet the ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal year in accordance with 5, CCR 71745(a)(6)]
2. In addition, please provide an explanation of all measures to be taken by the Institution to ensure it meets future financial responsibilities.
3. Please provide the Bureau with, in electronic format:
 - a) a roster of all currently enrolled students that includes the student (1) names, (2) addresses, (3) telephone numbers, (4) email addresses, (5) program in which they are enrolled, (6) date of enrollment, (7) total cost of the program and (8) the total amount the student has paid.

On March 7, 2019, the Bureau received and accepted the Order of Abatement submitted by the Institution.

Assessment of Fine

The fine for this violation is **\$00.00**

TOTAL ADMINISTRATIVE FINE DUE: \$00.00

APPEAL OF CITATION

You *do not* have the right to request another Informal Conference to appeal this affirmed Citation. You *do*, however, have the right to appeal this affirmed 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 affirmed Citation you must withdraw your initial request for an Administrative Hearing. 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 affirmed Citation is effective on April 25, 2019.

CONTACT INFORMATION

If you have any questions regarding this decision or desire further information, please contact Ray Delaney, Citation Analyst, at (916) 431-6946 or at Ray.Delaney@dca.ca.gov.



Christina Villanueva
Discipline Manager



Date

Enclosures

- Withdrawal - Request for Administrative Hearing
- Declaration of Service by Certified and First-Class Mail



BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY • GAVIN NEWSOM, GOVERNOR
DEPARTMENT OF CONSUMER AFFAIRS • BUREAU FOR PRIVATE POSTSECONDARY EDUCATION
2535 Capitol Oaks Drive, Suite 400, Sacramento, CA 95833
P.O. Box 980818, West Sacramento, CA 95798-0818
P (916) 431-6959 | Toll-Free (888) 370-7589 | www.bppe.ca.gov



WITHDRAWAL – REQUEST FOR ADMINISTRATIVE HEARING

Citation No.	Case Number	Institution Name	Owner(s) of Institution	School Code
1819107	1003965	California Preparatory College	California Preparatory College, Inc., Owner	54190071

I, California Preparatory College, owner of California Preparatory College, Institution Code Number 54190071, herein give notice to the Bureau for Private Postsecondary Education of the **WITHDRAWAL** of our request for an appeal through an Administrative Hearing to contest Citation: Assessment of Fine and Order of Abatement Number 1819107.

Owner's Printed Name

Owner's Signature

Date



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DECLARATION OF SERVICE BY CERTIFIED AND FIRST-CLASS MAIL

Date of Issuance / Service	Citation Number	Institution/ Owner or Operator	Institution Code
April 25, 2019	1819107	California Preparatory College/California Preparatory College, Inc.	54190071

I, the undersigned, declare I am employed by the Bureau for Private Postsecondary Education, Department of Consumer Affairs, at whose direction this service is made. I am 18 years of age or older and not a party to the within cause; my business address is 2535 Capitol Oaks Drive, Suite 400, Sacramento, California 95833.

I am familiar with the business practice at the Bureau for Private Postsecondary Education for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Bureau for Private Postsecondary Education is collected and deposited with the United States Postal Service that same day in the ordinary course of business.

On April 25, 2019, I served the attached:

1. MODIFIED CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT No. 1819107
2. PAYMENT OF FINE - WAIVER OF APPEAL RIGHTS
3. WITHDRAWAL-REQUEST FOR ADMINISTRATIVE HEARING

by placing a true copy thereof enclosed in two separate sealed envelopes, as certified mail with return receipt requested and as first-class mail, in the internal mail collection system at the Bureau for Private Postsecondary Education, addressed as follows:

NAME / ADDRESS

California Preparatory College
1250 E. Cooley Drive
Colton, CA 92324

CERTIFIED MAIL NUMBER

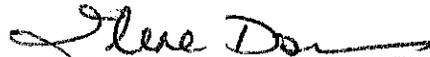
7018 0680 0002 1946 5827

Joel D. Peterson
California Preparatory College
1717 Valley Falls Avenue
Redlands, CA 92374

7018 0680 0002 1946 5834

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed at Sacramento, California on

Ilene Dawson
Declarant


Signature