



MODIFIED CITATION ORDER

Citation Issued To: Outco, Inc. Attn: Monahan Legal, PC 369 S. Doheny Dr. #702 Beverly Hills, CA 90211 Institution Code: Unapproved	Citation Number: 24250119
	Total Fine Amount: \$3,400.00
	Order of Abatement Included: Yes

Elizabeth Elias issues this modified citation in her official capacity as Deputy Bureau Chief of Enforcement at the Bureau for Private Postsecondary Education, California Department of Consumer Affairs (hereinafter referred to as the "Bureau").

LICENSING HISTORY

- On or about July 8, 2024, the Bureau determined that Outco, Inc., (hereinafter referred to as the "Institution"), is not approved by the Bureau to operate a private postsecondary institution.

DISCIPLINE HISTORY

- The Institution has no prior discipline history.

CITATION JURISDICTION

- This administrative citation is issued to the Institution pursuant to California Education Code (CEC) section 94936; and Title 5 of the California Code of Regulations (5 CCR) section 75020 et seq. for the violation(s) described below.

CITATION HISTORY

- On or about October 10, 2024, the Bureau issued Citation No. 24250119. On or about November 8, 2024, the Bureau received an appeal with a request for an informal conference. The informal conference was held on January 29, 2025. New substantive facts were presented during the informal conference; therefore, the Bureau modifies the citation as follows:

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Institution: Outco, Inc.
Institution Code: Unapproved

**CAUSE FOR CITATION &
MODIFIED ASSESSMENT OF FINE AND/OR ORDER OF ABATEMENT**

5. The Institution is in violation of the following Bureau laws and regulations:

Violation #1:

CEC section 94886 – Approval to Operate Required

Cause for Citation: On or about May 28, 2024, the Bureau initiated an investigation based on information the Bureau received which alleged that the Institution is operating without Bureau approval.

A Bureau investigation substantiated allegation(s) that the Institution is operating as a private postsecondary educational institution in California without an approval to operate granted by the Bureau or a valid exemption. Bureau investigators reviewed documents, statements, websites, advertising, and Bureau records to substantiate the allegation(s).

Administrative Fine: Pursuant to 5 CCR section 75020 (b), the Institution is issued a fine of \$25,000.00.

Administrative Fine: Modified. The Bureau modifies the administrative fine from \$25,000.00 to \$3,400.00.

Order of Abatement: Pursuant to 5 CCR section 75020 the Bureau issues the following order of abatement:

The Bureau orders the Institution cease to operate as a private postsecondary educational institution, unless the institution qualifies for an exemption under CEC section 94874, or until such time an approval to operate is obtained from the Bureau.

Pursuant to Business and Professions Code (BPC) section 149, the Institution shall cease unlawful advertising and shall notify the telephone company furnishing services to disconnect the telephone numbers contained in any unlawful advertising.

- The Institution shall discontinue recruiting and/or enrolling students and cease all instructional services and advertising in any form or type of media, including: <https://www.outco.io/>, and any other websites not identified here that are associated with the Institution.

- The Institution shall disconnect all telephone service numbers including, but not limited to: (209) 390-6780.

Further, the Institution shall provide a roster of each student currently enrolled at the Institution. The roster must include the names of the students, their contact information (including phone number, email address, and physical address), the programs in which they are enrolled, the amount paid for the programs.

The Institution shall submit a statement of attestation they have corrected all violations and have complied with the order of abatement. The statement of attestation shall be dated and signed by an authorized representative of the Institution.

Further, pursuant to CEC 94917 – Enforceability of Loans:

A note, instrument, or other evidence of indebtedness relating to payment for an educational program is void and not enforceable unless, at the time of execution of the note, instrument, or other evidence of indebtedness, the institution held an approval to operate or valid out-of-state registration with the bureau.

Therefore, the Institution shall not enforce any loans pursuant to CEC 94917.

Order of Abatement: Affirmed

COMPLIANCE WITH ORDER OF ABATEMENT

6. In accordance with the provisions of CEC section 94936 and 5 CCR sections 75020 and 75040, the Bureau issues the order(s) of abatement described above. Evidence of compliance with the order of abatement must be submitted to the Bureau within 30 days from the date of issuance of this modified citation. Evidence of compliance with the order of abatement may sent by mail or email to:

- Mail: Bureau for Private Postsecondary Education
Attn: Discipline Unit – Aspen Grambusch
1747 North Market, Blvd., Suite 225
Sacramento, CA 95834
- Email: bppe.discipline@dca.ca.gov
 - In the subject line, please include the Institution name and citation number.

COMPLIANCE WITH ASSESSMENT OF FINE

7. In accordance with the provisions of CEC section 94936, and 5 CCR section 75020 et seq., the Bureau hereby orders this assessment of fines in the total amount of \$3,400.00 for the violations described above. Payment of the fines must be made to the Bureau within 30 days from the date of service of this modified citation. To assist the Bureau in processing the payment of fines, please submit the enclosed *Payment of Fine – Waiver of Appeal* form.

Payment must be sent to the Bureau by mail at:

- Bureau for Private Postsecondary Education
Attn: Discipline Unit – Aspen Grambusch
1747 North Market, Blvd., Suite 225
Sacramento, CA 95834

NOTICE OF APPEAL RIGHTS

8. Pursuant to 5 CCR section 75040(d), the modified decision is considered final, unless a request for a hearing was filed timely.

If the Institution requested a hearing and no longer chooses to proceed with the hearing, the Institution may request to withdraw the request for a hearing.

COMPLIANCE WITH FINE AND/OR ORDER OR ABATEMENT DISCLOSURE

9. Pursuant to 5 CCR section 75050, payment of the fine and/or compliance with any order of abatement does not constitute an admission of the violation charged and shall be represented as satisfactory resolution of the matter for the purposes of public disclosure.

Pursuant to 5 CCR section 75050, failure to comply with this citation order, its order of abatement, and/or administrative fine by the required due date is grounds for denial or discipline of an approval to operate. Where a citation is not contested and fine is not paid, the full amount of the assessed fine shall be added to the fee for renewal of the approval to operate. An approval to operate shall not be renewed without payment of the renewal fee and fine. The Bureau may also enforce the

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administrative fine as if it were a money judgment pursuant to CEC section 94936.

BUREAU CONTACT INFORMATION

10. If you have any questions regarding this Citation, please contact Aspen Grambusch, Citation Analyst by email at Aspen.Grambusch@dca.ca.gov or by phone at (279) 895-6005.

“Original Signature on File”

2/6/2025

Elizabeth Elias
Deputy Bureau Chief of Enforcement

Citation Date of Issuance

Enclosures:

- Payment of Fine
- Withdrawal of Request for Administration Hearing
- Declaration of Service by Certified and First-Class Mail