

BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY · GAVIN NEWSOM, GOVERNOR DEPARTMENT OF CONSUMER AFFAIRS • BUREAU FOR PRIVATE POSTSECONDARY EDUCATION 1747 N. Market Blvd., Suite 225, Sacramento, CA 95834 P (916) 574-8900 | Toll-Free (888) 370-7589 | www.bppe.ca.gov



MODIFIED CITATION ORDER

Citation Issued To: Designlab Learning, Inc. 600 B St., Suite 300 San Diego, CA 92101	Citation Number: 24250139
	Total Fine Amount: \$11,004.00
Institution Code: 81740095	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

1. On or about June 18, 2021, the Bureau issued an Approval to Operate a Private Postsecondary Institution, Institution Code 81740095, to Designlab Learning, Inc. hereinafter referred to as the "Institution". This Approval to Operate will expire on or about June 18, 2026, unless renewed.

DISCIPLINE HISTORY

2. The Institution has no prior discipline history.

CITATION JURISDICTION

3. 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

4. On or about November 27, 2024, the Bureau issued Citation No. 24250139. On or about December 9, 2024, the Bureau received an appeal with a request for an informal conference. The informal conference was held on January 17, 2025. New substantive facts were presented during the informal conference; therefore, the Bureau modifies the citation as follows:

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:

5 CCR section 74112 (m) (1-9) Uniform Data – Annual Report, Performance Fact Sheet and 5 CCR section 71930 (e) – Maintenance of Records

Cause for Citation: On or about May 9, 2023, the Bureau conducted an announced compliance inspection pursuant to CEC section 94932.5 (a). Bureau staff requested documentation supporting data reported on the Institutions 2021/2022 School Performance Fact Sheet (SPFS). Upon review of the SPFS, Bureau staff found that the Institution's documentation for 2021/2022 failed to include all the required data points; specifically, the following data points as identified in 5 CCR section 74112 (m)(1-9).

Administrative Fine: Pursuant to 5 CCR section 75030, the Bureau has determined this to be a "Class A" violation. The Institution is issued a fine of \$2,501.00.

Administrative Fine: Affirmed.

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

The Bureau orders the Institution to correct the violation by providing an electronic copy of the template used by the Institution to document supporting data for SPFS, for the Bureau to verify the Institution is collecting the required data points pursuant to 5 CCR section 74112.

In addition, the Institution must submit a statement of attestation they have corrected the violation and will ensure that the supporting data for SPFS is maintained and immediately available during an inspection. The statement of attestation must be dated and signed by an authorized representative of the Institution.

Order of Abatement: Affirmed.

Violation #2:

CEC section 94902 (a) – General Enrollment Requirements, 5 CCR section 71920 (b)(3) – Student Records and 5 CCR section 71930 (a) – Maintenance of Records

Cause for Citation: On or about May 9, 2023, the Bureau conducted an announced compliance inspection pursuant to CEC section 94932.5 (a). Bureau staff inspected a random sampling of student records for current, graduated, and withdrawn students and found that files for non-California residents failed to contain enrollment agreements.

Administrative Fine: Pursuant to 5 CCR section 75030, the Bureau has determined this to be a "Class A" violation. The Institution is issued a fine of \$2,501.00.

Administrative Fine: Affirmed.

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

The Bureau orders the Institution to ensure all student records follow the law pursuant to CEC section 94902 and 5 CCR sections 71920 and 71930. The Institution must submit a statement of attestation that they have corrected the violation and will ensure that all student records contain signed enrollment agreements. The statement of attestation must be signed and dated by an authorized representative of the Institution.

Order of Abatement: Affirmed.

Violation #3:

CEC section 94900 (a) – Required Student Records

Cause for Citation: On or about May 9, 2023, the Bureau conducted an announced compliance inspection pursuant to CEC section 94932.5 (a). Bureau staff inspected a random sampling of three current, three graduated, and three withdrawn student records and found that the Institution failed to maintain records of the address and telephone number of each student who has been enrolled in an educational program at the Institution.

Citation Number: 24250139 Institution: Designlab Learning, Inc. Institution Code: 81740095

Administrative Fine: Pursuant to 5 CCR section 75030, the Bureau has determined this to be a "Class A" violation. The Institution is issued a fine of \$2,501.00.

Administrative Fine: Affirmed.

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

The Bureau orders the Institution to submit a statement of attestation they will maintain required student records pursuant to CEC sections 94900. The statement of attestation must be signed and dated by an authorized representative of the Institution.

Order of Abatement: Affirmed.

Violation #4:

CEC section 94920 (b) – Mandatory Cancellation, Withdrawal, and Refund Policies and CEC section 94897 – Prohibited Business Practices

Cause for Citation: On or about May 9, 2023, the Bureau conducted an announced compliance inspection pursuant to CEC section 94932.5 (a). Bureau staff inspected a random sampling of student records for current, graduated, and withdrawn students and found that the Institution maintains a custom refund policy for shorter courses that is not in accordance with CEC 94920 (b).

Administrative Fine: Pursuant to 5 CCR section 75030, the Bureau has determined this to be a "Class A" violation. The Institution is issued a fine of \$2,501.00.

Administrative Fine: Modified. The Bureau modifies the administrative fine from \$2,501.00 to \$1,000.00. The violation is modified from a Class "A" violation to a Class "B" violation.

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

The Bureau orders the Institution to correct the violation by revising their refund policy to ensure its in accordance with CEC 94920 (b). In addition, the Institution must submit a statement of attestation they have corrected the violation and will ensure that the institution adheres to its own attendance policy and issue refunds within the correct timeframe. The statement of attestation must be dated and signed by an authorized representative of the Institution.

Order of Abatement: Affirmed.

Violation #5:

CEC section 94902 (b)(3) – General Enrollment Requirements, CEC section 94912 – Signature, Initials Required, 5 CCR section 71920 (b)(3) – Student Records and 5 CCR section 71930 (a) – Maintenance of Records

Cause for Citation: On or about May 9, 2023, the Bureau conducted an announced compliance inspection pursuant to CEC section 94932.5 (a). Bureau staff inspected a random sampling of student records for current, graduated, and withdrawn students and found that the Institution failed to have students sign the SPFS prior to enrollment.

Administrative Fine: Pursuant to 5 CCR section 75030, the Bureau has determined this to be a "Class A" violation. The Institution is issued a fine of \$2,501.00.

Administrative Fine: Affirmed.

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

The Bureau orders the Institution to ensure all student records follow the law pursuant to CEC section 94902 and 94912. The Institution must submit statement of attestation that they have corrected the violation and will ensure that all student records contain signed SPFS. The statement of attestation must be dated and signed by an authorized representative of the Institution.

Order of Abatement: Affirmed.

Violation #6:

CEC section 94935 (b) and (h) – Notice to Comply in conjunction with 5 CCR section 75010 (h) – Notice to Comply; Informal Appeal Process

Cause for Citation: On or about May 9, 2023, the Bureau conducted an announced compliance inspection pursuant to CEC section 94932.5 (a). At the conclusion of the inspection, Bureau staff issued a Notice to Comply (NTC) pursuant to CEC section 94935 and 5 CCR section 75010. The Institution failed to remedy the non-compliance for the following violation identified in the NTC:

• 5 CCR 71920 (b) (5) (E) Student Records

Administrative Fine: Pursuant to 5 CCR section 75030, the Bureau has determined this to be a "Class B" violation. The Institution is issued a fine of \$2,500.00.

Administrative Fine: Dismissed.

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

The Bureau orders the Institution to correct the remaining violation identified in the Notice to Comply and submit proof of compliance pursuant to CEC section 94935.

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 <u>30 days</u> 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 – Nicole Pedersen 1747 North Market, Blvd., Suite 225 Sacramento, CA 95834
 - Email: <u>bppe.discipline@dca.ca.gov</u>
 - 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 \$11,004.00 for the violations described above. Payment of the fines must be made to the Bureau within <u>30 days</u> 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 – Nicole Pedersen 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 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 Nicole Pedersen, Citation Analyst by email at <u>Nicole.Pedersen@dca.ca.gov</u> or by phone at (916) 232-0510.

"Original Signature on File"

2/10/2025

Elizabeth Elias Deputy Bureau Chief of Enforcement Citation Date of Issuance

Enclosures:

- ➢ Payment of Fine
- > Declaration of Service by Certified and First-Class Mail