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8 **BEFORE THE**
9 **DIRECTOR OF THE DEPARTMENT OF CONSUMER AFFAIRS**
10 **FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION**
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. BPPE24-0343

13 **MASTERS VOCATIONAL COLLEGE,**
14 **INC.**
15 **1660 Chicago Ave., Suite M-13**
16 **Riverside, CA 92507**

ACCUSATION

17 **Institution Code No. 27053596**

Respondent.

18 **PARTIES**

19 1. Deborah Cochrane (Complainant) brings this Accusation solely in her official
20 capacity as the Chief of the Bureau for Private Postsecondary Education (Bureau), Department of
21 Consumer Affairs.

22 2. On or about June 29, 2005, the Bureau issued a Temporary Approval to Operate
23 Institution Code Number 27053596 to Masters Vocational College, Inc. (Respondent or MVCI).
24 On or about February 15, 2012, the Bureau issued an Approval to Operate Institution Code
25 Number 27053596 to MVCI. Masters Vocational College, Inc. is owned by Masters Vocational
26 College, Inc. The Approval to Operate was in full force and effect at all times relevant to the
27 charges brought herein and will expire on April 22, 2025, unless renewed.
28

1 (b) If no teach-out plan is contemplated, or for students who do not wish to
2 participate in a teach-out, arrangements for making refunds within 45 days from the
3 date of closure, or for institutions that participate in federal student financial aid
4 programs arrangements for making refunds and returning federal student financial aid
5 program funds.

6 (c) If the institution is a participant in federal student financial aid programs, it
7 shall provide students information concerning these programs and institutional
8 closures.

9 (d) A plan for the disposition of student records.

10 10. Section 94927 of the Education Code states:

11 An institution shall be considered in default of the enrollment agreement when
12 an educational program is discontinued or canceled or the institution closes prior to
13 completion of the educational program. When an institution is in default, student
14 institutional charges may be refunded on a pro rata basis if the bureau determines that
15 the school has made provision for students enrolled at the time of default to complete
16 a comparable educational program at another institution at no additional charge to the
17 students beyond the amount of the total charges in the original enrollment agreement.
18 If the institution does not make that provision, a total refund of all institutional
19 charges shall be made to students.

20 11. Section 94930.5 of the Education Code states:

21 Subject to Section 94930, an institution shall remit to the bureau for deposit in
22 the Private Postsecondary Education Administration Fund the following fees, in
23 accordance with the following schedule:

24 . . .

25 (d)(1) In addition to any fees paid to the bureau pursuant to subdivisions (a) to
26 (c), inclusive, each institution that is approved to operate pursuant to this chapter shall
27 remit both of the following:

28 (A) An annual fee for each campus designated by the institution as a main
29 campus location ins California, in an amount equal to 0.45 percent of the campus'
30 total gross revenue derived from students in California, but not to be less than two
31 thousand five hundred dollars (\$2500.00) and not to exceed sixty thousand dollars
32 (\$60,000).

33 12. Section 94931 of the Education Code states:

34 (a) A fee that is not paid on or before the 30th calendar day after the due date
35 for the payment of the fee shall be subject to a 25 percent late payment penalty fee.

36 (b) A fee that is not paid on or before the 90th calendar day after the due date
37 for payment of the fee shall be subject to a 35 percent late payment penalty fee.

38 13. Section 94932 of the Education Code states:

39 The bureau shall determine an institution's compliance with the requirements of
40 this chapter. The bureau shall have the power to require reports that institutions shall
41 file with the bureau in addition to the annual report, to send staff to an institution's

1 sites, and to require documents and responses from an institution to monitor
2 compliance. When the bureau has reason to believe that an institution may be out of
3 compliance, it shall conduct an investigation of the institution. If the bureau
4 determines, after completing a compliance inspection or investigation, that an
5 institution has violated any applicable law or regulation, the bureau shall take
6 appropriate action pursuant to this article.

7 14. Section 94932.5 of the Education Code states:

8 (a) As part of its compliance program, the bureau shall perform announced and
9 unannounced inspections of institutions at least every five years.

10 (b) On or before January 1, 2017, the bureau shall adopt regulations setting
11 forth policies and practices to ensure that student protections are the highest priority
12 of inspections and that inspections are conducted based on risk and potential harm to
13 students. The regulations shall also set forth policies and practices for providing
14 notice to students enrolled at an institution of the results of each inspection of the
15 institution.

16 15. Section 94936 of the Education Code states:

17 (a) As a consequence of an investigation, which may incorporate any materials
18 obtained or produced in connection with a compliance inspection, and upon a finding
19 that the institution has committed a violation of this chapter or that the institution has
20 failed to comply with a notice to comply pursuant to Section 94935, the bureau shall
21 issue a citation to an institution for violation of this chapter, or regulations adopted
22 pursuant to this chapter.

23 (b) The citation may contain any of the following:

24 (1) An order of abatement that may require an institution to demonstrate how
25 future compliance with this chapter or regulations adopted pursuant to this chapter
26 will be accomplished.

27 (2) Notwithstanding Section 125.9 of the Business and Professions Code, an
28 administrative fine not to exceed five thousand dollars (\$5,000) for each violation.
The bureau shall base its assessment of the administrative fine on:

(A) The nature and seriousness of the violation.

(B) The persistence of the violation.

(C) The good faith of the institution.

(D) The history of previous violations.

(E) The purposes of this chapter.

(F) The potential harm to students.

(3) An order to compensate students for harm that resulted or may have
29 resulted, including a refund of moneys paid to the institution by or on behalf of the
30 student, as determined by the bureau.

(c)(1) The citation shall be in writing and describe the nature of the violation
and the specific provision of law or regulation that is alleged to have been violated.

1 (2) The citation shall inform the institution of its right to request a hearing in
writing within 30 days from service of the citation.

2 (3) If a hearing is requested, the bureau shall select an informal hearing
3 pursuant to Article 10 (commencing with Section 11445.10) of Chapter 4.5 of Part 1
4 of Division 3 of Title 2 of the Government Code or a formal hearing pursuant to
Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the
Government Code.

5 (4) If a hearing is not requested, payment of the administrative fine is due 30
6 days from the date of service, and shall not constitute an admission of the violation
charged.

7 (5) If a hearing is conducted and payment of an administrative fine is ordered,
8 the administrative fine is due 30 days from when the final order is entered.

9 (6) The bureau may enforce the administrative fine as if it were a money
10 judgment pursuant to Title 9 (commencing with Section 680.010) of Part 2 of the
Code of Civil Procedure.

11 (d) All administrative fines shall be deposited in the Private Postsecondary
Education Administration Fund.

12 16. Section 94937 of the Education Code states:

13 (a) As a consequence of an investigation, and upon a finding that an institution
14 has committed a violation, the bureau may place an institution on probation or may
suspend or revoke an institution's approval to operate for:

15 (1) Obtaining an approval to operate by fraud.

16 (2) A material violation or repeated violations of this chapter or regulations
17 adopted pursuant to this chapter that have resulted in harm to students. For purposes
18 of this paragraph, material violation includes, but is not limited to, misrepresentation,
fraud in the inducement of a contract, and false or misleading claims or advertising,
19 upon which a student reasonably relied in executing an enrollment agreement and that
resulted in harm to the student.

20 (b) The bureau shall adopt regulations, within one year of the enactment of this
chapter, governing probation and suspension of an approval to operate.

21 (c) The bureau may seek reimbursement pursuant to Section 125.3 of the
22 Business and Professions Code.

23 (d) An institution shall not be required to pay the cost of investigation to more
24 than one agency.

25 **REGULATORY PROVISIONS**

26 17. California Code of Regulations, title 5, section 71700 (Regulation 71700) states:

27 The Bureau may request that an institution document compliance with the
standards set forth in the Act and this Division to obtain and maintain an approval to
28 operate.

1 18. California Code of Regulations, title 5, section 71750 (Regulation 71750), states:

2 (a) Every institution shall make refunds that are no less than the refunds
3 required under the Act and this Division.

4 (b) An institution may not enforce any refund policy that is not specified in the
5 catalog as required pursuant to section 94909(a)(8)(B) of the Code, and must refund
6 all institutional charges upon a student's withdrawal. Withdrawal policy procedures
7 pursuant to section 94909(a)((8)(B) of the Code shall include, at a minimum: the
8 acceptable methods of delivery of a notice to withdraw; whether withdrawal can be
9 accomplished by conduct, and if so, how; the position or positions to whom the notice
10 to withdraw must be delivered; and the date that the notice to withdraw is considered
11 effective, which shall be no later than the date received by the institution.

12 (c) A pro rata refund pursuant to section 94919(c) or 94920(d) or 94927 of the
13 Code shall be no less than the total amount owed by the student for the portion of the
14 educational program provided subtracted from the amount paid by the student,
15 calculated as follows:

16 (1) The amount owed equals the daily charge for the program (total institutional
17 charge, divided by the number of days or hours in the program), multiplied by the
18 number of days student attended, or was scheduled to attend, prior to withdrawal.

19 (2) Except as provided for in subdivision (a)(3) of this section, all amounts paid
20 by the student in excess of what is owed as calculated in subdivision (a)(1) shall be
21 refunded.

22 (3) Except as provided herein, all amounts that the student has paid shall be
23 subject to refund unless the enrollment agreement and the refund policy outlined in
24 the catalog specify amounts paid for an application fee or deposit not more than
25 \$250.00, books, supplies, or equipment, and specify whether and under what
26 circumstances those amounts are non-refundable. Except when an institution provides
27 a 100% refund pursuant to section 94919(d) or section 94920(b) of the Code, any
28 assessment paid pursuant to section 94923 of the Code is non-refundable.

(4) For purposes of determining a refund under the Act and this section, a
student shall be considered to have withdrawn from an educational program when he
or she withdraws or is deemed withdrawn in accordance with the withdrawal policy
stated in its catalog.

(d) If an institution has collected money from a student for transmittal on the
student's behalf to a third party for a bond, library usage, or fees for a license,
application, or examination and the institution has not paid the money to the third
party at the time of the student's withdrawal or cancellation, the institution shall
refund the money to the student within 45 days of the student's withdrawal or
cancellation.

(e) An institution shall refund any credit balance on the student's account within
45 days after the date of the student's completion of, or withdrawal from, the
educational program in which the student was enrolled. For purposes of this
subdivision and section 94919(d) of the Code, "day" means calendar day.

(f) The institution shall maintain a cancellation and withdrawal log, kept current
on a monthly basis, which shall include the names, addresses, telephone numbers, and
dates of cancellations or withdrawal of all students who have cancelled the enrollment

1 agreement with, or withdrawn from, the institution during the calendar year.

2 19. California Code of Regulations, title 5, section 71930 (Regulation 71930), states:

3 (a) An institution shall maintain all records required by the Act and this chapter.
4 The records shall be maintained in this state.

5 (b)(1) In addition to permanently retaining a transcript as required by section
6 94900(b) of the Code, the institution shall maintain for a period of 5 years the
7 pertinent student records described in Section 71920 from the student's date of
8 completion or withdrawal.

9 (2) Notwithstanding (b)(1), the institution shall maintain records relating to
10 federal financial aid programs as provided by federal law.

11 (c) A record is considered current for three years following a student's
12 completion or withdrawal. A record may be stored on microfilm, microfiche,
13 computer disk, or any other method of record storage only if all of the following
14 apply:

15 (1) The record may be stored without loss of information or legibility for the
16 period within which the record is required to be maintained by the Act;

17 (2) For a record that is current, the institution maintains functioning devices that
18 can immediately reproduce exact, legible printed copies of stored records. The
19 devices shall be maintained in reasonably close proximity to the stored records at the
20 institution's primary administrative location in California. For a record that is no
21 longer current, the institution shall be able to reproduce exact, legible printed copies
22 within two (2) business days.

23 (3) The institution has personnel scheduled to be present at all times during
24 normal business hours who know how to operate the devices and can explain the
25 operation of the devices to any person authorized by the Act to inspect and copy
26 records; and

27 (4) Any person authorized by the Act or this chapter to inspect and copy
28 records shall be given immediate access to the document reproduction devices for the
purpose of inspecting and copying stored records and shall, upon request, reimburse
the institution for the reasonable cost of using the institution's equipment and material
to make copies at a rate not to exceed ten cents (\$0.10) per page.

(d) The institution shall maintain a second set of all academic and financial
records required by the Act and this chapter at a different location unless the original
records, including records stored pursuant to subdivision (b) of this section, are
maintained in a manner secure from damage or loss. An acceptable manner of storage
under this subsection would include fire resistant cabinets.

(e) All records that the institution is required to maintain by the Act or this
chapter shall be made immediately available by the institution for inspection and
copying during normal business hours by the Bureau and any entity authorized to
conduct investigations.

(f) If an institution closes, the institution and its owners are jointly and severally
responsible to arrange at their expense for the storage and safekeeping in California
of all records required to be maintained by the Act and this chapter for as long as

1 those records must be maintained. The repository of the records shall make these
2 records immediately available for inspection and copying, without charge except as
allowed under subdivision (c)(4) of this section, during normal business hours by any
entity authorized by law to inspect and copy records.

3 20. California Code of Regulations, title 5, section 74000 (Regulation 74000),
4 subdivision (e)(1) states: "If an institution fails to pay any fee and any penalty fees timely, the
5 Bureau may initiate proceedings to revoke the institution's approval to operate for failure to pay
6 fees."

7 21. California Code of Regulations, title 5, section 74006 (Regulation 74006), states:

8 (a) An institution's annual fee is due within 30 days of the date on which the
9 institution originally receives its approval to operate and each year thereafter on the
anniversary of the date of the original approval.

10 (b) An institution shall pay its annual fee in addition to any other applicable
11 fees.

12 (c) The annual institutional fee is based on the institution's annual revenue. For
13 purposes of this article, annual revenue is annual gross revenue.

14 22. California Code of Regulations, title 5, section 75020 (Regulation 75020), states:

15 (a) The Bureau Chief, or their designee, or the Director's designee, is authorized
16 to issue citations containing orders of abatement or administrative fines or both,
pursuant to section 94936 of the Code against institutions approved under the Act that
have committed any acts or omissions that are in violation of the Act or any
regulation adopted pursuant thereto.

17 (b) The Bureau Chief, or their designee, or the Director's designee, is authorized
18 to issue citations containing orders of abatement or administrative fines or both, not to
19 exceed \$100,000 pursuant to section 94944 of the Code against persons who are
20 without proper approval to operate as required under the Act. In addition, the citation
21 may contain an order of abatement pursuant to section 149 of the Business and
22 Professions Code that requires the unapproved person to cease any unlawful
advertising and to notify the telephone company furnishing services to the cited
person: (1) to disconnect the telephone services furnished to any telephone number
contained in the unlawful advertising, and (2) that subsequent calls to that number
shall not be referred by the telephone company to any new number obtained by that
person. The provisions of section 75040 shall apply to this subsection.

23 (c) In addition to the requirements of section 94936 of the Code, each citation
24 shall inform the cited institution or person that:

25 (1) if a hearing pursuant to the Administrative Procedure Act (APA) is not
26 requested, payment of the administrative fine is due 30 calendar days from the date of
service, and shall not constitute an admission of the violation charged.

27 (2) if a hearing pursuant to the APA is conducted and payment of an
28 administrative fine is ordered, the administrative fine is due 30 calendar days from
when the order is effective;

1 (3) if the cited institution or person desires an informal conference to contest
2 the finding of a violation prior to an APA hearing, the informal conference shall be
3 requested by written notice to the Bureau within 30 calendar days from service of the
4 citation;

5 (4) failure to comply with any order of abatement within the time set forth in
6 the citation, unless the citation is being appealed, may result in disciplinary action
7 being taken by the Bureau; and

8 (5) the Bureau may enforce the administrative fine as if it were a money
9 judgment pursuant to the California Code of Civil Procedure (beginning with section
10 680.010).

11 (d) Each citation shall be served on the cited institution or person, in person, or
12 by certified and regular mail at the address of record on file with the Bureau.
13 Citations served by certified and regular mail shall be deemed "served" on the date of
14 mailing.

15 (e) The sanction authorized under this section shall be separate from, and in
16 addition to, any civil, criminal, or other administrative remedies.

17 23. California Code of Regulations, title 5, section 75030 (Regulation 75030), states:

18 Where citations pursuant to section 94936 of the Code and section 75020,
19 subsection (a) include an assessment of an administrative fine, the fine shall be not
20 less than \$50 or exceed \$5,000 for each violation. Each violation shall be classified
21 according to the nature of the violation and shall indicate the classification on the face
22 thereof as follows:

23 (a) A "Class A" violation shall not be less than \$2,501 nor more than \$5,000. A
24 Class A violation is one that the Bureau has, in its discretion, determined to be more
25 serious in nature, deserving the maximum fine. A Class A violation may, in the
26 Bureau's discretion, be issued to an institution that has committed one or more prior,
27 separate Class B violations.

28 (b) A "Class B" violation shall not be less than \$1,001 nor more than \$2,500. A
Class B violation is one that the Bureau has, in its discretion, determined to be less
serious in nature and may include, but is not limited to, a violation that could have
resulted in student harm. Typically some degree of mitigation will exist. A Class B
violation may be issued to an institution that has committed one or more prior,
separate Class C violations.

(c) A "Class C" violation shall not be less than \$501 nor more than \$1,000. A
Class C violation is one that the Bureau has, in its discretion, determined to be a
minor or technical violation, which may be directly or potentially detrimental to
students or potentially impacts their education.

(d) A "Class D" violation shall not be less than \$50 nor more than \$500. A
Class D violation is one that the Bureau has, in its discretion, determined to be a
minor or technical violation, which is neither directly or potentially detrimental to
students nor potentially impacts their education.

24 24. California Code of Regulations, title 5, section 76130 (Regulation 76130), states:

25 (a)(1) A qualifying institution shall collect the assessment from each student in
26 an educational program at the time it collects the first payment from or on behalf of

1 the student at or after enrollment. The assessment shall be collected for the entire
2 period of enrollment, regardless of whether the student pays the institutional charges
3 in increments.

4 (2) The assessment to be collected from a re-enrolling student shall be limited
5 to any amount that is due after crediting any prior assessment amount paid by the
6 student. The enrollment agreement shall clearly identify any prior STRF assessment
7 paid by the student.

8 (b) A qualifying institution shall complete the STRF Assessment report and
9 remit it with the STRF assessments collected from students to be received by the
10 Bureau no later than the last day of the month following the close of the quarter as
11 follows:

- 12 (1) April 30 for the first quarter,
- 13 (2) July 31 for the second quarter,
- 14 (3) October 31 for the third quarter, and
- 15 (4) January 31 for the fourth quarter.

16 If the due date falls on a Saturday, Sunday, or State or federal holiday, the due
17 date shall be extended to the next regular business day for the Bureau.

18 (c) The STRF Assessment report shall contain the following information:

19 (1) Total number of students who signed enrollment agreements for educational
20 programs during the reporting period; and

21 (2) Total number of students eligible for STRF who signed enrollment
22 agreements for educational programs during the reporting period; and

23 (3) The total number of students who signed their enrollment agreement during
24 the reporting period, were eligible for STRF, and who made their first payment
25 during the reporting period; and

26 (4) The total number of students who signed their enrollment agreement in a
27 previous reporting period, were eligible for STRF, and who made their first payment
28 during the current reporting period; and

(5) Total amount of institutional charges after rounding each student's
institutional charges to the nearest \$1,000, for all eligible STRF students whose STRF
assessment was collected in the reporting period; and

(6) Current contact telephone number of the person preparing the form; and

(7) A declaration dated and signed under penalty of perjury by the person
preparing the form that the form and any attachments are true and correct.

(d) In the event of a school closure, any collected assessments shall be remitted
to the Bureau within seven days following the cessation of instruction.

(e) Submission of all prior reports and assessments required by this section is a
condition of renewal.

1 25. California Code of Regulations, title 5, section 76240 (Regulation 76240), states:

2 All institutions, including those exempt from Bureau regulation pursuant to the
3 Code, shall do the following prior to closing:

4 (a) At least 30 days prior to closing, the institution shall notify the Bureau in
5 writing of its intention to close and provide a closure plan. The closure plan shall
6 include:

7 (1) The exact date and reason for the closure.

8 (2) The last date of instruction for each educational service or program.

9 (3) A list of students who were enrolled at any time during the 60 days prior to
10 closure.

11 (4) If any student will not be provided complete educational services or the
12 educational program, the institution shall provide:

13 (A) A plan for providing teach-outs or transfers, including the details of any
14 agreements with other institutions.

15 (B) If no teach-out is contemplated, or for students who do not wish to
16 participate in a teach-out, arrangements for making refunds within 45 days from the
17 date of closure, or for institutions that participate in federal student financial aid
18 programs arrangements for making refunds and returning federal student financial aid
19 program funds.

20 (5) A plan for the disposition of student records.

21 (6) A plan to notify students of their rights and options under the Act and this
22 chapter.

23 (b) The institution shall notify the students of the following:

24 (1) If the institution is a participant in federal student financial aid programs, it
25 shall provide students information concerning those programs and institutional
26 closures.

27 (2) If any student will not be provided complete educational services or the
28 educational program, information regarding the Student Tuition Recovery Fund and
the Bureau's physical and Internet addresses.

COST RECOVERY

29 26. Section 125.3 of the Code provides, in pertinent part, that the Board may request the
30 administrative law judge to direct a licensee found to have committed a violation or violations of
31 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
32 enforcement of the case, with failure of the licensee to comply subjecting the license to not being

1 renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be
2 included in a stipulated settlement.

3 **FACTUAL ALLEGATIONS**

4 **Factual Allegations Related to EO**

5 27. On March 19, 2024, the Bureau received a complaint from EO, a former student,
6 alleging that Respondent, located at 1660 Chicago Avenue, Ste. M-13, Riverside, CA 92507,
7 failed to provide a refund after multiple requests. EO also alleged that Respondent's location was
8 vacant when he went there to seek a refund. As a result, the Bureau commenced an investigation.

9 28. In connection with that investigation, EO provided an enrollment agreement showing
10 that he enrolled in Respondent's HVAC training program on December 11, 2023. Per the
11 enrollment agreement, signed by EO and by GE and PF (the School Director) on behalf of
12 Respondent, EO's HVAC training program was to commence on December 11, 2023 through
13 June 7, 2024 for a total of 660 clock hours. The HVAC course was scheduled to take place from
14 9:00 a.m. to 3:00 p.m. on Mondays through Thursdays at Respondent's location. To complete the
15 program, 40 credit hours were required. Per the enrollment agreement, the total tuition for the
16 HVAC program was \$11,900.00. Of that amount, \$4,900.00 was paid to Respondent on EO's
17 behalf through a Supplemental Job Displacement Benefit Voucher.¹

18 29. Starting as early as December 15, 2023, EO and others acting on his behalf, began
19 attempting to contact Respondent to cancel EO's enrollment in the HVAC program because EO
20 decided to pursue a different training program. EO, and others on his behalf, made multiple
21 telephone calls to Respondent's published telephone numbers (approximately 20 telephone calls
22 to two different phone numbers affiliated with Respondent), and wrote approximately 10 emails,
23 seeking to cancel EO's enrollment in Respondent's HVAC program and seeking a refund of the
24 \$4,900.00 that Respondent had been paid on EO's behalf. No one from Respondent responded.

25 _____
26 ¹ The California Department of Industrial Relations offers benefits in the form of vouchers to
27 employees with permanent or permanent partial disabilities. The SJDB is a non-transferable
28 voucher that can be used to pay for educational retraining or skill enhancement at state-approved
or accredited schools.

1 On February 12, 2024, a job counselor acting on EO's behalf sent Respondent a letter reiterating
2 EO's withdrawal from the HVAC program, asking Respondent to issue a refund to EO, and
3 asking Respondent for instructions for EO to return a laptop that EO received in connection with
4 his enrollment in the HVAC program. That letter also went unanswered. At some point, EO went
5 to Respondent's offices and found that the signage had been removed, and the space formerly
6 occupied by Respondent was vacant.

7 **Factual Allegations Related to IM**

8 30. On April 2, 2024, the Bureau received a complaint from IM, a former student, who
9 alleged that Respondent MCVI failed to provide a refund after multiple requests. IM also alleged
10 that Respondent's location was vacant when he went there to seek a refund. As a result, the
11 Bureau commenced an investigation.

12 31. In connection with that investigation, IM provided an enrollment agreement showing
13 that he enrolled in Respondent's HVAC training program on August 18, 2023. Per the enrollment
14 agreement, signed by IM and by GE and PF (the School Director) on behalf of Respondent, IM's
15 HVAC training program was to commence on August 18, 2023 through February 13, 2024 for a
16 total of 660 clock hours. The HVAC course was scheduled to take place from 9:00 a.m. to 3:00
17 p.m. on Mondays through Thursdays at Respondent's offices located at 1660 Chicago Avenue,
18 Ste. M-13, Riverside, CA 92507. To complete the program, 40 credit hours were required. Per
19 the enrollment agreement, tuition for the HVAC program was \$11,900.00. Of that amount,
20 \$5,400.00 was paid to Respondent on IM's behalf through a Supplemental Job Displacement
21 Benefit Voucher.

22 32. Starting as early as September 5, 2023, IM and others acting on his behalf, began
23 attempting to contact Respondent to cancel his enrollment in the HVAC program. IM, and others
24 on his behalf, made multiple telephone calls to Respondent's published telephone numbers and
25 wrote multiple emails, seeking to cancel IM's enrollment in Respondent's HVAC program and
26 seeking a refund of the \$5400.00 that Respondent had been paid on IM's behalf. No one from
27 Respondent responded. At some point, IM went to Respondent's offices, and found that the
28 signage had been removed, and the space formerly occupied by Respondent was vacant.

1 **Factual Allegations Related to VC**

2 33. On August 8, 2024, the Bureau received a complaint from VC, a former student, who
3 alleged that Respondent MVCI failed to provide a refund after multiple requests. VC also alleged
4 that Respondent's location was vacant. As a result, the Bureau commenced an investigation.

5 34. In connection with that investigation, VC provided an enrollment agreement showing
6 that he enrolled in Respondent's HVAC training program on July 25, 2023. Per the enrollment
7 agreement, signed by VC and by GE and PF (the School Director) on behalf of Respondent, VC's
8 HVAC training program was to commence on July 25, 2023 through January 20, 2024 for a total
9 of 660 clock hours. The HVAC course was scheduled to take place from 9:00 a.m. to 3:00 p.m.
10 on Mondays through Thursdays at Respondent's offices located at 1660 Chicago Avenue, Ste. M-
11 13, Riverside, CA 92507. To complete the program, 40 credit hours were required. Per the
12 enrollment agreement, tuition for the HVAC program was \$11,900.00. Of that amount,
13 \$5,400.00 was paid to Respondent on VC's behalf through a Supplemental Job Displacement
14 Benefit Voucher.

15 35. Since December 2023, VC and others acting on his behalf, began attempting to
16 contact Respondent to cancel his enrollment in the HVAC program. VC, and others on his
17 behalf, made multiple telephone calls to Respondent's published telephone numbers and wrote
18 multiple emails, seeking to cancel VC's enrollment in Respondent's HVAC program and seeking
19 a refund of the \$5400.00 that Respondent had been paid on VC's behalf. No one from
20 Respondent responded. At some point, VC's friend went to Respondent's offices, and found that
21 the space formerly occupied by Respondent was vacant.

22 **Factual Allegations Related to the Bureau's Attempted Inspection of MVCI**

23 36. On or about February 27, 2024, Bureau compliance inspector (MG) attempted to
24 conduct an announced compliance inspection pursuant to section 94932.5, subdivision (a) of the
25 Education Code. However, upon MG's arrival at the premises, he found the building to be empty
26 and unoccupied. MVCI's signage on the top front of the building had been removed. Special
27 Investigator EH subsequently contacted the property management company for the offices
28

1 previously occupied by Respondent and learned that Respondent had vacated the premises on or
2 about September 30, 2023.

3 37. During its investigation, Special Investigator EH also attempted to call PF, the 80%
4 owner of Respondent using the telephone number listed in the Bureau's records and its call was
5 disconnected. The Bureau was never able to contact PF or anyone else affiliated with Respondent
6 during its investigation.

7 **Factual Allegations Related to Citation Order Number 23240213**

8 38. On February 29, 2024, the Bureau issued Citation Order Number 23240213 to
9 Respondent for its failure to submit its fourth quarter 2023 Student Tuition Recovery Fund
10 (STRF) Assessment Reporting Form, and STRF assessments collected from students, as required.
11 The Bureau issued an administrative fine of \$501.00 and ordered Respondent to submit the
12 delinquent STRF Assessment Reporting Form, and the STRF assessments collected from
13 students. Respondent did not appeal the citation. The Bureau sent its first demand letter on April
14 8, 2024. On or about May 9, 2024, the Bureau received the STRF Assessment Reporting Form
15 for the fourth quarter of 2023. On May 13, 2024 and June 12, 2024, the Bureau sent demand
16 letters for payment of the fine only. To date, Respondent has not paid its \$501.00 fine on Citation
17 Order Number 23240213.

18 **Factual Allegations Related to Citation Order Number 23240291**

19 39. On June 10, 2024, the Bureau issued Citation Order Number 23240291 to Respondent
20 for its failures as it relates to the Bureau's attempted inspection of MVCI on February 27, 2024,
21 as alleged in paragraphs 33 through 34, incorporated by reference herein. Specifically, Citation
22 Number 23240291 alleged that prior to the inspection date, Respondent failed to notify the
23 Bureau of a change of address or change in the institution's status, failed to have an authorized
24 school representative on site for the announced inspection, and failed to have records immediately
25 available for inspection during business hours, as required. The Bureau issued an administrative
26 fine of \$5000.00 and ordered Respondent to submit the fine within thirty days of service of the
27 Citation Order Number 23240291. Respondent did not appeal the citation. The Bureau sent a
28 demand letter on July 10, 2024 for payment of the fine on Citation Order Number 23240291.

1 **Factual Allegations Related to Citation Order Number 24250083**

2 40. On September 17, 2024, the Bureau issued Citation Order Number 24250083 to
3 Respondent for failure to submit its second quarter 2024 STRF Assessment Reporting Form,
4 STRF assessments collected from students, and for failure to submit its 2024 annual fee and 30-
5 day late payment penalty fees. The Bureau issued an administrative fine of \$1,000.000 and
6 ordered Respondent to submit the delinquent STRF Assessment Reporting Form, STRF
7 assessments collected from students, and 2024 annual fee with the requisite late payment penalty.
8 Respondent did not appeal the citation. The Bureau sent a demand letter for payment of the fine
9 and order of abatement on October 22, 2024. To date, Respondent has not paid its 2024 annual
10 fee or late payment penalty fee, has not submitted its second quarter 2024 STRF Assessment
11 Reporting Form or STRF assessments collected from students, and has not paid the \$1,000.00
12 administrative fine for Citation 24250083.

13 **Factual Allegations Related to Citation Order Number 24250197**

14 41. On December 31, 2024, the Bureau issued Citation Order Number 24250197 to
15 Respondent for failure to submit its third quarter 2024 STRF Assessment Reporting Form, and
16 STRF assessments collected from students. The Bureau issued an administrative fine of \$501.00
17 and ordered Respondent to submit the delinquent STRF Assessment Reporting Form, and STRF
18 assessments collected from students. Respondent did not appeal the citation. The Bureau sent a
19 demand letter for payment of the fine and order of abatement on February 4, 2025. To date,
20 Respondent has not submitted its third quarter 2024 STRF Assessment Reporting Form or STRF
21 assessments collected from students, and has not paid the \$501.00 administrative fine for Citation
22 24250197.

23 **FIRST CAUSE FOR DISCIPLINE**

24 **(Failed to Follow Proper Procedures Prior to Closing)**

25 42. Respondent has subjected its Approval to Operate to disciplinary action under Code
26 section 94926, subdivisions (a) and (b), and Regulation 76240, subdivisions (a) and (b), as
27 alleged in paragraphs 27 through 37, and incorporated by reference, in that Respondent failed to
28 notify the Bureau of its intention to close at least 30 days prior to closing; failed to provide a

1 closure plan, including a teach-out, or if not teach-out plan is contemplated arrangements for
2 making refunds to students within 45 days of the date of closure and for returning federal student
3 financial aid program funds; failed to provide information to the students for these programs and
4 institutional closures; and failed to provide a plan for the disposition of student records.

5 **SECOND CAUSE FOR DISCIPLINE**

6 **(Default of Enrollment Agreements)**

7 43. Respondent has subjected its Approval to Operate to disciplinary action under Code
8 section 94927 as alleged in paragraphs 27 through 37, and incorporated by reference, in that
9 Respondent defaulted on its enrollment agreements with EO, IM, and VC when it discontinued,
10 cancelled, and closed the institution before the completion of EO, IM and VC's respective HVAC
11 programs.

12 **THIRD CAUSE FOR DISCIPLINE**

13 **(Failure to Timely Provide Refunds)**

14 44. Respondent has subjected its Approval to Operate to disciplinary action under
15 Regulation 71750, subdivisions (a) and (d), as alleged in paragraphs 27 through 37, and
16 incorporated by reference, in that Respondent claimed EO, IM, and VC's Supplemental Job
17 Displacement Benefit vouchers to pay for their respective HVAC training at MVCI but
18 Respondent discontinued, cancelled, and closed the institution before EO, IM, and VC completed
19 their respective HVAC programs and Respondent did not provide refunds to EO, IM, and VC
20 within 45 days, as is required.

21 **FOURTH CAUSE FOR DISCIPLINE**

22 **(Failure to Comply with Citations)**

23 45. Respondent has subjected its Approval to Operate to disciplinary action under Code
24 section 94936 and Regulation section 75050, subdivision (b), in that Respondent failed to comply
25 with citation numbers 23240213, 23240291, 24250083 and 24250197 as more fully set forth in
26 paragraphs 38 through 41 above and incorporated herein by reference.

1 **DISCIPLINE CONSIDERATIONS**

2 46. To determine the degree of discipline, if any, to be imposed on Respondent,
3 Complainant alleges that on or about May 27, 2015, in a prior action, the Bureau issued Citation
4 Order Number 1415084 (later modified on October 19, 2015) which was later paid and closed
5 That Citation is now final.

6 47. To determine the degree of discipline, if any, to be imposed on Respondent,
7 Complainant alleges that on or about June 10, 2020, in a prior action, the Bureau issued Citation
8 Order Number 1920326 which was later paid and closed That Citation is now final.

9 48. To determine the degree of discipline, if any, to be imposed on Respondent,
10 Complainant alleges that on or about August 25, 2021, in a prior action, the Bureau issued
11 Citation Order Number 2122042 which was later paid and closed That Citation is now final.

12 **PRAYER**

13 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
14 and that following the hearing, the Director of the Department of Consumer Affairs issue a
15 decision:

16 1. Revoking or suspending Approval to Operate Number 27053596, issued to Masters
17 Vocational College, Inc.;

18 2. Ordering Respondent to pay the Bureau for Private Postsecondary Education the
19 reasonable costs of the investigation and enforcement of this case, pursuant to Business and
20 Professions Code section 125.3; and,

21 3. Taking such other and further action as deemed necessary and proper.

22
23 DATED: 3/3/2025

"Original Signature on File"

24 _____
25 DEBORAH COCHRANE
26 Chief
27 Bureau for Private Postsecondary
Education
Department of Consumer Affairs
State of California
Complainant

28 SD2024802969
Accusation.docx