

BUSINESS, CONSUMER SERVICES AND HOUSING AGENCYGAVIN NEWSOM, GOVERNORDEPARTMENT OF CONSUMER AFFAIRS • BUREAU FOR PRIVATE POSTSECONDARY EDUCATION1747 N. Market Blvd., Suite 225, Sacramento, CA 95834P (916) 574-8900Toll-Free (888) 370-7589www.bppe.ca.gov



# **MODIFIED CITATION ORDER**

### Citation Issued To:

Coast Health Educational Centers, Inc. (formerly known as Coast Health Educational Centers Inc.) 1741 West Katella Avenue, Suite 201 Anaheim, CA 92804 **Citation Number:** 24250099

Total Fine Amount: \$3,503.00

Order of Abatement Included: Yes

Institution Code: 3009811

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 August 10, 2023, the Bureau renewed an Approval to Operate a Private Postsecondary Institution, Institution Code 3009811, to Coast Health Educational Centers, hereinafter referred to as the "Institution". This Approval to Operate will expire on or about August 9, 2028, unless renewed.

# **DISCIPLINE HISTORY**

- 2. The Institution has the following discipline history:
  - <u>Citation No. 1415020, issued May 11, 2015</u>
    - Citation closed February 5, 2016
  - <u>Citation No. 1516051, issued December 30, 2015</u>
    - Evidence of compliance; citation satisfied November 21, 2016
  - Modified Citation No. 1920269, issued June 17, 2020
    - Evidence of compliance; citation satisfied August 12, 2020
  - Modified Citation No. 2021120, issued June 10, 2021
    - Evidence of Compliance; citation satisfied March 21, 2022
  - <u>Citation No. 24250154, issued November 14, 2024</u>

### 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. 24250099. On or about December 16, 2024, the Bureau received an appeal with a request for an informal conference. The informal conference was held on February 28, 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 76140(a)(1-13) and (b) – Record-Keeping Requirements and 5 CCR section 71930(e) – Maintenance Records

**Cause for Citation:** On August 14, 2023, the Bureau conducted an announced compliance inspection pursuant to pursuant to CEC section 94932.5(a). Prior to the compliance inspection, the institution submitted its Student Tuition Recovery Fund (STRF) supporting documentation for 2021 in response to an announced inspection letter. On June 30, 2023, Bureau staff emailed the Institution the Bureau's regulations regarding the record-keeping requirements and provided a sample spreadsheet to the Institution for data collection.

During the onsite inspection, Bureau staff requested supporting STRF documentation for the 4th quarter reporting period of 2022, and the 1st quarter reporting period of 2023. The Institution failed to make these records immediately available to Bureau staff upon request during the inspection as they were actively attempting to input the data into an electronic format and were unable to do so by the end of the inspection.

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 \$1,001.00.

# Administrative Fine: Modified. The Bureau modifies the administrative fine from \$1,001.00 to \$501.00. The violation remains 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 submitting an electronic copy of the template used by the Institution to document supporting data for STRF for the Bureau to verify the institution is collecting the required data points pursuant to 5 CCR section 76140.

In addition, the Institution must submit a statement of attestation that they have corrected the violation and will ensure that records are made immediately available to a Bureau representative conducting a site inspection. The statement of attestation must be dated and signed by an authorized representative of the Institution.

# Order of Abatement: Affirmed.

#### Violation #2:

5 CCR section 74112(m)(1); (m)(3); (m)(4); (m)(8) and (m)(9) – Uniform Data – Annual Report, Performance Fact Sheet and 5 CCR section 71930(a) and (e) – Maintenance Records

**Cause for Citation:** On or about August 14, 2023, the Bureau conducted an announced compliance inspection pursuant to CEC section 94932.5(a). Prior to the scheduled announced compliance inspection, Bureau staff received supporting documentation for the Institutions 2020/2021 School Performance Fact Sheets (SPFS).

During the onsite inspection Bureau staff reviewed the Institution's supporting data for the 2020/2021 SPFS and determined that the spreadsheet failed to include the required data point pursuant to 5 CCR section 74112(m)(1), (m)(3), (m)(4), (m)(8) and (m)(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: Modified. The Bureau modifies the administrative fine from \$1,001.00 to \$501.00. The violation has been 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 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 #3:

# 5 CCR section 71745(c) consistent with 5 CCR section 74115(d) – Financial Statements

**Cause for Citation**: On or about August 14, 2023, the Bureau conducted an announced compliance inspection pursuant to CEC section 94932.5(a). Prior to the announced compliance inspection, the Institution did not provide financials as requested in an announced inspection letter.

During the onsite inspection, Bureau staff again requested a copy of the Institution's current financial statements for review; however, the Institution was unable to provide the required documents upon request.

Administrative Fine: Pursuant to 5, CCR 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 75020, the Bureau issues the following order of abatement:

The Bureau orders the Institution to submit current financial statements for year-end 2023 which demonstrates compliance with 5 CCR section 71745 and section 74115.

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 – Tessa Barron 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 \$3,503.00 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 – Tessa Barron 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 Tessa Barron, Citation Analyst by email at <u>Tessa.Barron@dca.ca.gov</u> or by phone at (916) 574-7791.

"Original Signature on File"

3/17/2025

Elizabeth Elias Deputy Bureau Chief of Enforcement Enclosures: Citation Date of Issuance

Citation Number: 24250099 Institution: Coast Health Educational Centers, Inc Institution Code: 3009811

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