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

13 In the Matter of the Accusation Against:

Case No. BPPE22-111

14 **MOVISO ACADEMY**
29970 Technology Drive, Suite 218
15 **Murrieta, CA 92563**

ACCUSATION

16 **Institution Code No. 73713129**

17 Respondent.

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19
20
21 **PARTIES**

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

25 2. On or about July 6, 2020, the Bureau issued Approval to Operate, Institution Code
26 Number 73713129, to Moviso Academy (Respondent), owned by CSG Enterprises, LLC. The
27 Approval to Operate was in full force and effect at all times relevant to the charges brought herein
28 and will expire on July 6, 2025, unless renewed.

JURISDICTION

3. This Accusation is brought before the Director of the Department of Consumer Affairs (Director) for the Bureau, under the authority of the following laws. All section references are to the Education Code (Code) unless otherwise indicated.

4. Section 118(b) of the Code states:

(b) The suspension, expiration, or forfeiture by operation of law of a license issued by a board in the department, or its suspension, forfeiture, or cancellation by order of the board or by order of a court of law, or its surrender without the written consent of the board, shall not, during any period in which it may be renewed, restored, reissued, or reinstated, deprive the board of its authority to institute or continue a disciplinary proceeding against the licensee upon any ground provided by law or to enter an order suspending or revoking the license or otherwise taking disciplinary action against the licensee on any such ground.

5. Section 477 of the Business and Professions Code states:

As used in this division:

(a) "Board" includes "bureau," "commission," "committee," "department," "division," "examining committee," "program," and "agency."

(b) "License" includes certificate, registration or other means to engage in a business or profession regulated by this code.

6. Section 94932 of the Code states:

The bureau shall determine an institution's compliance with the requirements of this chapter. The bureau shall have the power to require reports that institutions shall file with the bureau in addition to the annual report, to send staff to an institution's sites, and to require documents and responses from an institution to monitor compliance. When the bureau has reason to believe that an institution may be out of compliance, it shall conduct an investigation of the institution. If the bureau determines, after completing an investigation, that an institution has violated any applicable law or regulation, the bureau shall take appropriate action pursuant to this article.

STATUTORY PROVISIONS

7. Section 94893 of the Education Code states:

If an institution intends to make a substantive change to its approval to operate, the institution shall receive prior authorization from the bureau. Except as provided in subdivision (a) of Section 94896, if the institution makes the substantive change without prior bureau authorization, the institution's approval to operate may be suspended or revoked.

///

1 8. Section 94897¹ of the Education Code states:

2 An institution shall not do any of the following:

3 ...

4 (j) In any manner make an untrue or misleading change in, or untrue or misleading
5 statement related to: a test score, grade or record of grades, attendance record, record
6 indicating student completion, placement, employment, salaries, or financial
7 information; a financial report filed with the bureau; information or records relating to
8 the student's eligibility for student financial aid at the institution; or any other record
9 or document required by this chapter or by the bureau.

10 ...

11 9. Section 94898 of the Education Code states:

12 (a) An institution shall not merge classes unless all of the students have
13 received the same amount of instruction. This subdivision does not prevent the
14 placement of students, who are enrolled in different educational programs, in the
15 same class if that class is part of each of the educational programs and the placement
16 in a merged class will not impair the students' learning of the subject matter of the
17 class.

18 ...

19 10. Section 94900.5, subdivision (c) of the Education Code states:

20 An institution shall maintain, for a period of not less than five years, at its principal
21 place of business in this state, complete and accurate records of all of the following
22 information:

23 ...

24 (c) Any other records required to be maintained by this chapter, including, but not
25 limited to, records maintained pursuant to Article 16 (commencing with Section 94928).

26 11. Section 94902 of the Education Code states:

27 (a) A student shall enroll solely by means of executing an enrollment agreement.
28 The enrollment agreement shall be signed by the student and by an authorized employee of
29 the institution.

30 (b) An enrollment agreement is not enforceable unless all of the following
31 requirements are met:

32 (1) The student has received the institution's catalog and School
33 Performance Fact Sheet prior to signing the enrollment agreement.

¹ Business and Professions Code section 94897(j) was amended January 1, 2025 and incorporates language that was previously numbered 94897(j)(3).

(2) At the time of the execution of the enrollment agreement, the institution held a valid approval to operate.

(3) Prior to the execution of the enrollment agreement, the student and the institution have signed and dated the information required to be disclosed in the School Performance Fact Sheet pursuant to subdivisions (a) to (d), inclusive, of Section 94910. Each of these items in the School Performance Fact Sheet shall include a line for the student to initial and shall be initialed and dated by the student.

(c) A student shall receive a copy of the signed enrollment agreement, in writing or electronically, regardless of whether total charges are paid by the student.

12. Section 94910 of the Education Code states:

Prior to enrollment, an institution shall provide a prospective student with a School Performance Fact Sheet containing, at a minimum, the following information, as it relates to the educational program:

(a) Completion rates, as calculated pursuant to Article 16 (commencing with Section 94928).

(b) Placement rates, as calculated pursuant to Article 16 (commencing with Section 94928), if the educational program is designed to lead to, or the institution makes any express or implied claim related to preparing students for, a particular career, occupation, vocation, job, or job title.

(c) License examination passage rates for programs leading to employment for which passage of a state licensing examination is required, as calculated pursuant to Article 16 (commencing with Section 94928).

(d) (1) Salary or wage information, as calculated pursuant to Article 16 (commencing with Section 94928), if the institution or a representative of the institution makes any express or implied claim about the salary that may be earned after completing the educational program.

(2) Additionally, each institution that offers an educational program designed to lead to a particular career, occupation, vocation, trade, job, or job title shall disclose the wage and salary data for the particular career, occupation, trade, job, or job title, as provided by the Employment Development Department's Occupational Employment Statistics, if that data is available.

(e) If a program is too new to provide data for any of the categories listed in this subdivision, the institution shall state on its fact sheet: This program is new. Therefore, the number of students who graduate, the number of students who are placed, or the starting salary you can earn after finishing the educational program are unknown at this time. Information regarding general salary and placement statistics may be available from government sources or from the institution, but is not equivalent to actual performance data.

(f) All of the following:

(1) A description of the manner in which the figures described in subdivisions (a) to (d), inclusive, are calculated or a statement informing the reader of where he or she may obtain a description of the manner in which the figures described in subdivisions (a) to (d), inclusive, are calculated.

(2) A statement informing the reader of where he or she may obtain from the institution a list of the employment positions determined to be within the field for which a student received education and training for the calculation of job placement rates as required by subdivision (b).

(3) A statement informing the reader of where he or she may obtain from the institution a list of the objective sources of information used to substantiate the salary disclosure as required by subdivision (d).

(g) The following statements:

(1) This fact sheet is filed with the Bureau for Private Postsecondary Education. Regardless of any information you may have relating to completion rates, placement rates, starting salaries, or license exam passage rates, this fact sheet contains the information as calculated pursuant to state law.

(2) Any questions a student may have regarding this fact sheet that have not been satisfactorily answered by the institution may be directed to the Bureau for Private Postsecondary Education at (address), Sacramento, CA (ZIP Code), (Internet Web site address), (telephone and fax numbers).

13. Section 94920 of the Education Code states:

An institution that does not participate in the federal student financial aid programs shall do all of the following:

...

(e) The institution shall pay or credit refunds within 45 days of a student's cancellation or withdrawal.

14. Section 94937 of the Education Code states:

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

(1) Obtaining an approval to operate by fraud.

(2) A material violation or repeated violations of this chapter or regulations adopted pursuant to this chapter that have resulted in harm to students. For purposes 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, upon which a student reasonably relied in executing an enrollment agreement and that resulted in harm to the student.

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

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

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

REGULATORY PROVISIONS

15. Title 5, CCR, section 71750 (Regulation 71750) states in relevant part:

...

(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.

...

16. Title 5, CCR, section 71770 (Regulation 71770) states in relevant part:

(a) The institution shall establish specific written standards for student admissions for each educational program. These standards shall be related to the particular educational program. An institution shall not admit any student who is obviously unqualified or who does not appear to have a reasonable prospect of completing the program and shall describe in its admissions policy the criteria used by the institution to determine whether each student is qualified for admission to the educational program ("qualified candidate for admission"). In addition to any specific standards for an educational program, the admissions standards must specify as applicable that:

(1) Each student admitted to an undergraduate degree program, or a diploma program, shall possess a high school diploma or its equivalent, or otherwise meet the institution's criteria for a qualified candidate for admission, including minimum levels of prior education, preparation, skills, or training.

...

17. Title 5, CCR, section 71920 (Regulation 71920) states in relevant part:

...

(b) In addition to the requirements of section 94900, the file shall contain all of the following pertinent student records:

(1) Written records and transcripts of any formal education or training, testing, or experience that are relevant to the student's qualifications for admission to the institution or the institution's award of credit or acceptance of transfer credits including the following:

(A) Verification of high school completion or equivalency or other documentation establishing the student's ability to do college level work such as successful completion of an ability-to-benefit test if required by the institution. For the purposes of this section an "ability-to-benefit test" means an independently administered examination from the list of examinations prescribed by the United States Department of Education pursuant to Section 484(d) of the federal Higher Education Act of 1965 (20 U.S.C. Sec. 1070a et seq.) as it is, from time to time, amended, that is designed to help identify

students who possess the basic skills necessary to succeed in a post-secondary education program, but who lack a high school diploma;

...

(3) Copies of all documents signed by the student, including contracts, instruments of indebtedness, and documents relating to financial aid;

(4) Records of the dates of enrollment and, if applicable, withdrawal from the institution, leaves of absence, and graduation; and

...

(5) In addition to the requirements of section 94900(b) of the Code, a transcript showing all of the following:

(A) The courses or other educational programs that were completed, or were attempted but not completed, and the dates of completion or withdrawal;

(B) Credit awarded for prior experiential learning, including the course title for which credit was awarded and the amount of credit;

(C) Credit for courses earned at other institutions;

(D) Credit based on any examination of academic ability or educational achievement used for admission or college placement purposes;

(E) The name, address, website address, and telephone number of the institution.

...

(9) A document showing the total amount of money received from or on behalf of the student and the date or dates on which the money was received;

(10) A document specifying the amount of a refund, including the amount refunded for tuition and the amount for other itemized charges, the method of calculating the refund, the date the refund was made, and the name and address of the person or entity to which the refund was sent...

...

18. Title 5, CCR, section 76130 (Regulation 76130) states in relevant part:

(a)(1) A qualifying institution shall collect the assessment from each student in an educational program at the time it collects the first payment from or on behalf of the student at or after enrollment. The assessment shall be collected for the entire period of enrollment, regardless of whether the student pays the institutional charges in increments.

...

COST RECOVERY

19. Section 125.3 of the Code provides, in pertinent part, that the Board may request the administrative law judge to direct a licensee found to have committed a violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case, with failure of the licensee to comply subjecting the license to not being renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be included in a stipulated settlement.

FACTUAL ALLEGATIONS

20. Between February 2022 and May 2022, the Bureau received multiple complaints that Respondent had falsified enrollment documents, failed to follow their admissions policies, and merged classes, among other things. An investigation ensued.

21. As part of the Bureau's investigation, on February 8, 2023, the Bureau investigator conducted an unannounced visit at Respondent's Murietta and Chula Vista locations. The investigator requested complete student files for a list of students it provided to Respondent. A review of the records revealed both record-keeping deficiencies and quality of education concerns.

22. Respondent's 2021, 2022, and 2023 catalog states:

To enroll in diploma programs, students must possess a high school diploma, high school equivalency certificate (G.E.D.), or achieve a minimum score of 97 on the Combined English Language Skills Assessment (CELSA) Form 2 (Ability to Benefit Test) or achieve a minimum score of 17 on Reading Comprehension and 14 on Mathematics on the Language Proficiency Assessment Test-Spanish (LPAT-S)(Ability to Benefit Test).

a. However, a review of student records revealed the following students were enrolled (and some paid tuition) in diploma programs (Real Estate or Computer Basics with Small Business Marketing) without either having obtained a high school diploma, or before they passed the LPAT or CELSA exams: BT, CG, JR, EM, ER, AC, GT, JA, JG, JO, MB, LV, TL, UD, SG, JM, AP, LC, KM, NA, MG, JA, MB, SM, and MH. Thus, the catalogs contain untrue statements.

///

b. Additionally, two students, LV and UD, failed the LPAT exam but were permitted to enroll and take courses.

23. Respondent's enrollment agreement states, in relevant part:

Completion certificates/diplomas will be issued after the completion of the entire program and all tuition fees are paid in full or otherwise accounted for. Classroom and lab instruction will be tested. The students must achieve a passing grade average (as stated in the catalog) to receive a completion certificate/diploma. Students will be permitted to retest (as stated in the catalog) for any grade below passing.

a. However, a review of student records revealed students DC and JO were issued diplomas prior to completion of their courses, and JE was issued a diploma prior to the beginning or completion of her program.

24. Respondent characterized the Real Estate program as having approval status with the Eligible Training and Provider List² (ETPL), when it did not, to the following students: DC, GT, SG, LC, and MB.

25. Respondent failed to provide documentation of signed enrollment agreements for several students including CG and DC. Additionally, Respondent failed to provide documentation of signed School Performance Fact Sheets for students BT, CG, JR, EM, ER, AC, GT, JA, JG, JO, MB, LV, JE, TL, UD, SG, JM, AP, LC, KM, NA, MG, JA, MB, SM, and MH.

26. Respondent failed to maintain records of dates of enrollment and dates of withdrawal for students: JR, EM, JA, MB, TL, LC, NA, SM, and MH.

27. Respondent failed to maintain records showing the total amount of money received from or on behalf of students CG and JR, and the dates on which that money was received.

28. Respondent failed to maintain records specifying the amount refunded for tuition and other itemized charges, including the method of calculating refunds for students: EM, JA, MB, TL, NA, SM, and MH. Respondent also failed document the date refunds were made to students EM and JA.

² The ETPL is a list of training providers approved by the Employment Development Department (EDD) of California. If a course is ETPL-approved, the student may be eligible for financial assistance by way of a voucher from the Workforce Innovation and Opportunity Act (WIOA) administered by the EDD or Supplemental Job Displacement Benefits voucher (worker's compensation vouchers) paid by insurance companies through the California Department of Industrial Relations, Division of Workers' Compensation.

29. Respondent failed to maintain transcripts for twenty-four graduated or withdrawn students: BT, CG, JR, EM, DC, ER, AC, JG, JO, MB, LV, JE, TL, UD, JM, AP, LC, KM, NA, MG, JA, MB, SM, and MH.

30. Respondent failed to issue refunds within forty-five days to twenty-two withdrawn and/or cancelled students or to the funding sources of those students: MB, TL, NA, MH, SG, RG, GR, CP, MG, AA, RC, RF, GV, RM, FG, RR, EL, VB, MA, CE, MH, and KT.

31. Respondent failed to accurately disclose the Student Tuition Recovery Fund (STRF) Assessment Fees in enrollment agreements for twenty-six students: BT, JR, EM, DC, ER, AC, GT, JA, JG, JO, MB, LV, JE, TL, UD, SG, JM, AP, LC, KM, NA, MG, JA, MB, SM, and MH.

32. Respondent enrolled student JR into a Seminars program and charged tuition, despite the program not being approved by the Bureau.

33. When Respondent originally submitted their approval application to the Bureau, documentation showed that their courses were divided into four modules which would be offered sequentially (Module 1, then Modules 2, 3, and 4) to students once they had successfully completed the prior module. Respondent was approved on this basis. At the time of investigation, Respondent was enrolling new students to in-progress courses at the start of each module. Students could begin at Module 2 or 3 or 4 and therefore did not have the same level of instruction. Respondent changed the method of enrollment from sequential delivery to continuous open enrollment when only approved for sequential delivery.

FIRST CAUSE FOR DISCIPLINE

(Prohibited Business Practices)

34. Respondent is subject to disciplinary action under Code sections 94937(a)(2) and 94897(j), in conjunction with Regulation 71770(a)(1), for making misleading or untrue statements in required records in that it:

- a. Enrolled twenty-five students who did not have high school diplomas or GEDs without having them qualify via admissions exam prior, rendering untrue the statements in its catalog that the students must pass the examination prior to enrolling.

b. Failed to adhere to its admissions policy when it continued with the enrollment of two students, LV and UD, who failed their LPAT examination, as more fully set forth above.

c. Made untrue statements related to the completion dates of students DC and JO because it issued diplomas to them prior to their completion of program requirements.

d. Issued a diploma to student JE prior to her enrollment in or completion of program requirements.

e. Made misleading and untrue statements to the following students in that it characterized the Real Estate program as having approval status with the ETPL when it did not: DC, GT, SG, LC, and MB.

SECOND CAUSE FOR DISCIPLINE

(Student Records)

35. Respondent is subject to disciplinary action under Code sections 94900.5(c) and 94937(a)(2), in conjunction with Regulation 71920, for failing to maintain student records in that:

a. Respondent failed to provide written records of students' qualifications for admission to the institution, including verification of high school completion or equivalency, or other documentation establishing a student's ability to do college level work for students: CG, EM, JA, LV, UD, NA, MG, MB, and MH. (Regulation 71920, subdivision (b)(1)(A)).

b. Respondent failed to provide documentation of signed enrollment agreements for students CG and DC; additionally, Respondent failed to provide documentation of signed School Performance Fact Sheets for twenty-six students. (Regulation 71920, subdivision (b)(3)).

c. Respondent failed to maintain records of dates of enrollment and dates of withdrawal for students: JR, EM, JA, MB, TL, LC, NA, SM, and MH. (Regulation 71920, subdivision (b)(4)).

d. Respondent failed to maintain transcripts for twenty-four graduated or withdrawn students, as stated above. (Regulation 71920, subdivision (b)(5)).

1 e. Respondent failed to maintain records showing the total amount of money
2 received from or on behalf of students CG and JR, and the dates on which that money was
3 received (Regulation 71920, subdivision (b)(9)).

4 f. Respondent failed to maintain records specifying the amount refunded for
5 tuition and other itemized charges, including the method of calculating refunds for
6 students: EM, JA, MB, TL, NA, SM, and MH. Respondent also failed document the date
7 refunds were made to students EM and JA. (Regulation 71920, subdivision (b)(10)).

8 **THIRD CAUSE FOR DISCIPLINE**

9 **(General Enrollment Requirements)**

10 36. Respondent is subject to disciplinary action under Code sections 94937(a)(2) and
11 94902(a), in that Respondent failed to obtain an enrollment agreement from students CG and DC.

12 **FOURTH CAUSE FOR DISCIPLINE**

13 **(Mandatory Cancellation, Withdrawal, and Refund Policies)**

14 37. Respondent is subject to disciplinary action under Code sections 93937(a)(2) and
15 94920(e), in conjunction with Regulation 71750(e), in that Respondent issued refunds outside of
16 the 45-day time frame to twenty-two withdrawn and/or cancelled students or to the funding
17 sources of those students, as more fully set forth above.

18 **FIFTH CAUSE FOR DISCIPLINE**

19 **(Collection and Submission of Assessments)**

20 38. Respondent is subject to disciplinary action under Code section 93937(a)(2) and
21 Regulation 76130 in that Respondent failed to accurately disclose the Student Tuition Recovery
22 Fund (STRF) Assessment Fees in enrollment agreements for twenty-six students out of those
23 reviewed, as more fully stated above.

24 **SIXTH CAUSE FOR DISCIPLINE**

25 **(Substantive Change Without Authorization)**

26 39. Respondent is subject to disciplinary action under Code sections 93937(a)(2) and
27 94893 in that Respondent enrolled student JR into a Seminars program and charged tuition,
28 despite the program not being approved by the Bureau, as more fully set forth above.

1 **SEVENTH CAUSE FOR DISCIPLINE**

2 **(Merging Classes)**

3 40. Respondent is subject to disciplinary action under Code sections 93937(a)(2) and
4 94898 in that Respondent changed the method of enrollment from sequential delivery to
5 continuous open enrollment when only approved for sequential delivery, as more fully set forth
6 above.

7 **PRAYER**

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

- 11 1. Revoking or suspending Approval to Operate Number School Code: 73713129 issued
12 to Moviso Academy;
- 13 2. Ordering Respondent to pay the Bureau for Private Postsecondary Education the
14 reasonable costs of the investigation and enforcement of this case, pursuant to section 125.3; and,
- 15 3. Taking such other and further action as deemed necessary and proper.

16
17 DATED: 5/1/2025

"Original Signature on file"

18 DEBORAH COCHRANE
19 Chief
20 Bureau for Private Postsecondary
21 Education
22 Department of Consumer Affairs
23 State of California
24 *Complainant*

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