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7	Attorneys for Complainant		
_	BEFORE THE		
8	DEPARTMENT OF CONSUMER AFFAIRS		
	FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION		
9	STATE OF CALIFORNIA		
10			
11	In the Matter of the Accusation Against:	Case No. 1002195	
12	in the Matter of the Accusation Against:	Case 110, 1002173	
13	ATI COLLEGE	FIRST AMENDED ACCUSATION	
14	10.440 Elimentaria Divid	FIRST AMENDED ACCUSATION	
	12440 Firestone Blvd. Suite 2001		
15	Norwalk, CA 90650 (Main Campus)		
16	1 102 main Ora 20000 (main Campao)		
	3460 Wilshire Blvd.		
17	Suite 550		
18	Los Angeles, CA 90010 (Satellite Campus)		
	T-22-2- C-1- 100F0/1		
19	Institution Code: 1937261	,	
20	Respondent.	·	
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23	Complainant alleges:		
24	PAI	RTIES	
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25	1. Leeza RiFredi (Complainant) brings this Accusation solely in her official capacity as		
26	the Deputy Chief of the Bureau for Private Postsecondary Education, Department of Consumer		
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27	Affairs.		
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2. On or about December 19, 2013, the Bureau for Private Postsecondary Education issued Approval to Operate Number 1937261 to ATI College (Respondent).

JURISDICTION

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

STATUTORY PROVISIONS¹

- 4. Business and Professions Code section 477 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."
 - 5. Section 94897 of the Education Code states in relevant part:
 - "An institution shall not do any of the following:

- "(c) Advertise concerning job availability, degree of skill, or length of time required to learn a trade or skill unless the information is accurate and not misleading."
- 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 a compliance inspection or investigation, that an institution has violated any applicable law or regulation, the bureau shall take appropriate action pursuant to this article."

¹ California Private Postsecondary Education Act of 2009, Ed. Code § 94880, et. seq. was recently amended, effective January 1, 2017. (See Senate Bill No. 1192).

REGULATORY PROVISIONS

- 7. California Code of Regulations, title 5, division 7.5, section 71745 states in relevant part:
- "(a) The institution shall document that it has at all times sufficient assets and financial resources to do all of the following:
 - (1) Provide all of the educational programs that the institution represented it would provide.
- (2) Ensure that all students admitted to its educational programs have a reasonable opportunity to complete the programs and obtain their degrees or diplomas.
 - (3) Maintain the minimum standards required by the Act and this chapter,

- (5) Pay all operating expenses due within 30 days.
- (6) Maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal year when using generally accepted accounting principles, or for an institution participating in Title IV of the federal Higher Education Act of 1965, meet the composite score requirements of the U.S. Department of Education. For the purposes of this section, current assets do not include: intangible assets, including goodwill, going concern value, organization expense, startup costs, long-term prepayment of deferred charges, and non-returnable deposits, or state or federal grant or loan funds that are not the property of the institution but are held for future disbursement for the benefit of students. Uncarned tuition shall be accounted for in accordance with general accepted accounting principles."

COST RECOVERY

- 8. Section 125.3 of the Business and Professions Code states, in pertinent part, that the Bureau may request the administrative law judge to direct a licentiate 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.
- 9. Education Code section 94937 provides, in pertinent part, that the Bureau may seek reimbursement of costs of investigation and enforcement pursuant to section 125.3 of the

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Business and Professions Code but that an institution shall not be required to pay the cost of investigation to more than one agency.

FIRST CAUSE FOR DISCIPLINE

(Prohibited Business Practices)

10. Respondent is subject to disciplinary action under Education Code section 94897, subdivision (c) in that Respondent advertised misleading information on its website regarding a student's ability to take The Sonography Principles & Instrumentation (SIP) exam upon graduating from ATI College. Specifically, Respondent stated on its website that "Registration with ARDMS [American Registry for Diagnostic Medical Sonography] requires passing a general physical principles and instrumentation examination "SPI" (upon completion of Physics module at ATI College will be eligible to sit on the SPI exam immediately ..."). However, graduates of ATI College did not qualify to take the SPI examination as stated on Respondent's website. To take the SPI examination, an individual must graduate from a school accredited by the Commission on Accreditation of Allied Health Education Programs (CAAHEP) or have twelve months of full time clinical ultrasound/vascular experience. Respondent is not accredited by CAAHEP and its graduates do not have twelve months of full-time clinical experience.

SECOND CAUSE FOR DISCIPLINE

(Failure To Meet Financial Resource Requirements)

11. Respondent is subject to disciplinary action under California Code of Regulations, title 5, division 7.5, section 71745, subdivisions (a)(1), (a)(2), (a)(3), (a)(5), and (a)(6) in that Respondent did not at all times have sufficient assets and financial resources as required by law nor did Respondent maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater. Specifically, on or about November 4, 2016, a Bureau Analyst reviewed the audited financial records submitted by Respondent for the year ending December 31, 2015. Respondent's asset to liability ratio was 0.88.

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PRAYER

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

- Revoking or suspending Approval to Operate Number 1937261 issued to ATI
 College;
- 2. Ordering ATI College to pay the Bureau for Private Postsecondary Education the reasonable costs of the investigation and enforcement of this case, pursuant to 125.3 of the Business and Profession Code and Education Code section 94937; and
 - 3. Taking such other and further action as deemed necessary and proper.

DATED: 10/5/2017

TUGA KIPLELI

Deputy Bureau Chief

Bureau for Private Postsecondary Education

Department of Consumer Affairs

State of California Complainant

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