



CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: Bentley-Forbes Security Training Academy, Inc., Owner
Bentley-Forbes Security Training Academy, Inc.
15720 Ventura Boulevard, Suite 417
Encino, CA 91436

INSTITUTION CODE: 98908161
CITATION NUMBER: 1819156
CITATION ISSUANCE/SERVICE DATE: March 21, 2019
DUE DATE: April 20, 2019

FINE AMOUNT: \$5,000.00

ORDER OF ABATEMENT INCLUDED: YES

Christina Villanueva issues this Citation and Order of Abatement (Citation) in her official capacity as Discipline Manager of the Bureau for Private Postsecondary Education (Bureau) of the California Department of Consumer Affairs.

CITATION

A Citation is hereby issued to Bentley-Forbes Security Training Academy, Inc., Owner of Bentley-Forbes Security Training Academy, Inc., (Institution) located at 15720 Ventura Boulevard, Suite 417, Encino, CA 91436 pursuant to California Education Code (CEC) Section 94936 and Title 5 of the California Code of Regulations (5, CCR) Sections 75020, 75030, 75040, and 75050, for the violations described below.

BACKGROUND

On June 27, 2018, Bureau staff conducted an announced onsite compliance inspection at the Institution located at 15720 Ventura Blvd # 417, Encino, CA 91436 and an Enforcement Referral was issued. The Enforcement Referral alleges material violations of CEC section 94920(e), 5, CCR section 71920(b)(9)(10), 5, CCR Section 71745(a)(6) and CEC section 94885(a)(6) and (9).

According to the Bureau’s records reviewed on or about June 27, 2018, the Institution does not participate in Title IV, therefore it must 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.

On June 27, 2018, the institution failed to provide financial statements showing its ability to maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater. The Bureau reviewed the Institution’s financial statements dated January 2017 through May 2018. The Institution’s ratio of -0.66, demonstrates that the Institution fails to maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater.

VIOLATION

#	Below you will find the California Education Code (CEC) and/or Title 5 of the California Code of Regulations (5, CCR code) section(s) of law you are charged with violating.
1.	<p><u>Violation:</u> CEC Section 94920(e) - Mandatory Cancellation, Withdrawal, and Refund Policies 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.</p> <p>5, CCR Section 71920(b)(9)(10) - Student Records (b) In addition to the requirements of section 94900, the file shall contain all of the following pertinent student records: (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.</p> <p>On June 27, 2018, Bureau staff conducted a review of withdrawn student files and found that files were missing the documents showing the total refund made to the students. The Institution was unable to provide the documentation for the refund calculations for students who cancel or withdraw. D.W, Owner, explained to Bureau staff that the Institution works with agencies which provide tuition for the students. He stated these agencies will pay the tuition for a group of students in one payment and if the student cancels or withdraws the Institution notifies the agency and the agency has told the Institution to retain the funds as the funds are considered already paid and it will throw off their accounting ledger. The institution failed to provide the documentation to support this claim. The institution failed to issue refunds within 45 days of a student's cancellation or withdrawal.</p> <p><u>Order of Abatement:</u> The Bureau orders the Institution to submit to the Bureau the refund policy for the return of unearned institutional charges if the student cancels an enrollment agreement or withdraws during a period of attendance that complies with CEC section 94920(e). Also, the Institution shall submit to the Bureau a policy that complies with the Student Record keeping requirements, pursuant to 5, CCR section 71920(b)(9)(10).</p> <p><u>Assessment of Fine</u> The fine for this violation is \$5,000.00</p>
2.	<p><u>Violation:</u> CEC Section 94885(a)(6) and (9)- Minimum Operating Standards “(a) The bureau shall adopt by regulation minimum operating standards for an institution that shall reasonably ensure that all of the following occur: [...]” (6) The institution is financially sound and capable of fulfilling its commitments to students. [...]” (9) The institution is maintained and operated in compliance with this chapter and all other applicable ordinances and laws.”</p>

5, CCR Section 71745(a)(6)- Financial Resources.

“(a) The institution shall document that it has at all times sufficient assets and financial resources to do all of the following: [...]

(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 does 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. *Unearned tuition shall be accounted for in accordance with general accepted accounting principles.*”

On June 27, 2018, the Bureau reviewed the Institution’s financial statements for the year ending May 31, 2018. The Institution’s ratio of -0.66, demonstrates that the Institution fails to maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater.

Order of Abatement:

The Bureau orders the institution to:

1. Submit a detailed plan to address its financial shortfalls and to meet the ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal year in accordance with 5, CCR 71745(a)(6).
2. In addition, please provide an explanation of all measures to be taken by the Institution to ensure it meets future financial responsibilities.
3. Please provide the Bureau with, in electronic format:
 - a) a roster of all currently enrolled students that includes the student (1) names, (2) addresses, (3) telephone numbers, (4) email addresses, (5) program in which they are enrolled, (6) date of enrollment, (7) total cost of the program and (8) the total amount the student has paid.

Assessment of Fine

The fine for this violation is \$00.00

TOTAL ADMINISTRATIVE FINE DUE: \$5,000.00

ASSESSMENT OF A FINE

In accordance with CEC section 94944; and 5, CCR section 75020(b), the Bureau hereby orders this assessment of a fine in the amount of **\$5,000.00** for the violations described above. **Payment must be made, to the Bureau, within 30 days from the date of service of the Citation.**

COMPLIANCE WITH ORDER OF ABATEMENT

In accordance with the provisions of CEC Section 94936 and 5, CCR Section 75020 the Bureau hereby issues the order(s) of abatement described above. **Evidence of compliance with the**

order(s) of abatement must be submitted, to the Bureau, within 30 days from the date of service of the Citation.

APPEAL OF CITATION

You have the right to contest this Citation through an informal conference with the Bureau and/or through an administrative hearing in accordance with Chapter 5 (Commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

If you wish to contest this Citation, you must submit the 'Notice of Appeal of Citation – Request for Informal Conference and/or Administrative Hearing' form (enclosed) within 30 days from the date of service of the Citation. *If you do not request an informal conference and/or an administrative hearing within 30 days from the service of the Citation, you will not be able to request one at a later time.*

Unless a written request for an informal conference and/or an administrative hearing is signed by you and delivered to the Bureau by **March 21, 2019**, you will be deemed to have waived or forfeited your right to appeal this matter.

EFFECTIVE DATE OF CITATION

If you do not request an informal conference and/or an administrative hearing, this Citation shall become effective on **April 20, 2019**. Evidence of compliance with the order(s) of abatement shall be due by **March 21, 2019**.

If a hearing is requested, you will not be required to comply with this Citation until 30 days after a final order is entered against you.


Payment of the administrative fine and/or written request for appeal must be mailed to:

Gurinder Sandhu, Discipline Citation Program
Bureau for Private Postsecondary Education
2535 Capitol Oaks Drive, Suite 400
Sacramento, CA 95833

Failure for an applicant or institution to abate the violation(s) listed above or to pay the administrative fine within the time allowed may result in denial of an application for an approval or renewal to operate; disciplinary action, and/or collection action. The Bureau will promptly take all appropriate action to enforce this Citation and recover the civil penalties prescribed therein or found to be due after a hearing.

CONTACT INFORMATION

If you have any questions regarding this Citation, or desire further information, please contact Gurinder Sandhu, Citation Analyst, at 916-431-6940 or Gurinder.Sandhu@dca.ca.gov



Christina Villanueva
Discipline Manager



Date

Enclosures

- Applicable Laws Violated
- Statement of Rights: Appeal Process Information Sheet
- Notice of Appeal of Citation: Request for Informal Conference and/or Administrative Hearing
- Payment of Fine – Waiver of Appeal
- Declaration of Service by Certified and First-Class Mail