



**Bureau for Private Postsecondary Education**  
1747 N. Market Blvd. Ste 225 Sacramento, CA 95834  
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**CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT**

To: Carnegie Mellon University, Owner  
Carnegie Mellon University – Silicon Valley  
NASA Research Park, Bldg. 23 (MS-23-11)  
Moffett Field, CA 94035

**INSTITUTION CODE: 0703171**  
**CITATION NUMBER: 2021113**  
**CITATION ISSUANCE/SERVICE DATE: October 8, 2020**  
**DUE DATE: November 7, 2020**  
**FINE AMOUNT: \$ 500.00**

**ORDER OF ABATEMENT INCLUDED: Yes**

Christina Villanueva issues this Citation: Assessment of Fine 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 Carnegie Mellon University, Owner of Carnegie Mellon University – Silicon Valley (Institution) located at NASA Research Park, Bldg. 23 (MS-23-11), Moffett Field, CA 94035, pursuant to Business and Professions Code section 125.9; California Education Code (CEC) sections 94936 and 94932; and Title 5 of the California Code of Regulations (5, CCR) section 75020 for the violations described below.

BACKGROUND

On April 16, 2019, Bureau staff conducted an Announced Compliance Inspection at the Institution. It was determined that the Institution was unable to correct the violations found in the Institution’s Enrollment Agreement prior to the end of the inspection.

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><b>Violation:</b>  <b>CEC 94911 (b) – Minimum Requirements for Enrollment Agreements</b>  <i>“An enrollment agreement shall include, at a minimum, all of the following:</i>  <i>(b) A schedule of total charges, including a list of any charges that are nonrefundable and the student’s obligations to the Student Tuition Recovery Fund, clearly identified as nonrefundable charges.”</i></p> <p><b>5, CCR 71800 (e)(1) – Enrollment Agreement</b></p>

*"In addition to the requirements of section 94911 of the Code, an institution shall provide to each student an enrollment agreement that contains at the least the following information:  
(e) Itemization of all institutional charges and fees including, as applicable:  
(1) Tuition;"*

**CEC 94840 Enrollment Agreement**

*"Enrollment agreement' means a written contract between a student and institution concerning an educational program."*

On April 5, 2019, the Institution was notified in an Announced Deficiency Letter that the Institution's Enrollment Agreement which stated that tuition typically increases 3% to 5% each academic year was in violation of CEC section 71800.

The Institution informed Bureau staff that they were aware that the tuition charges could not exceed the range listed on each EA form.

On April 16, 2019, Bureau staff conducted an Announced Compliance Inspection at the Institution. During the inspection, Bureau staff found that the Enrollment Agreement provided by the Institution identified the total amount for tuition, but then included the following statement, *"\*Tuition and required university fees (generally, the student activities fee, technology fee and transportation fee) are subject to change. Students are required to pay the then-current rates for program tuition and required university fees each semester. Tuition increases 3% to 5% each academy year. Other fees may apply."*

During the inspection, the Institution's legal counsel found that they met their contractual obligations and could raise tuition if it was within the 3%-5% identified in the EA.

The Institution's Enrollment Agreement does not specify the total tuition charges if tuition typically increases 3% to 5% each academic year.

**Order of Abatement:**

The Institution shall submit to the Bureau a revised Enrollment Agreement that shall have an itemization of charges, which includes tuition, for education program for the period covered by the enrollment agreement that complies the minimum requirements, pursuant to CEC section 94911 and 5, CCR section 71800.

**Assessment of Fine**

The fine for this violation is \$500.00

**TOTAL ADMINISTRATIVE FINE DUE: \$500.00**

ASSESSMENT OF A FINE

In accordance with CEC section 94936; and 5, CCR sections 75020 and 75030, the Bureau hereby orders this assessment of fine in the amount of **\$500.00** 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 **November 7, 2020**, 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 **October 8, 2020**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **November 7, 2020**. Your payment of the administrative fine shall not constitute an admission of the violation(s) charged.

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:**

Nicole Mitchell, Discipline Citation Program  
Bureau for Private Postsecondary Education  
1747 N. Market Blvd., Suite 225  
Sacramento, CA 95834

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 Nicole Mitchell, Citation Analyst, at (916) 574-8995 or Nicole.Mitchell@dca.ca.gov.

"Original Signature on File"

"10/8/2020"

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**Christina Villanueva**  
**Discipline Manager**

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**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