



Bureau for Private Postsecondary Education
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APPEAL OF CITATION INFORMAL CONFERENCE
DECISION: CITATION MODIFIED

March 3, 2015

Christine Khuu, Owner
 Christine K. Beauty School
 1394 Tully Road, Suite 203
 San Jose, CA 95122

Date of Issuance	Citation Number	Institution Code
September 29,2014	1314017	13355372

On December 12, 2014, an informal conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 1314017 (Citation) against Christine Khuu, owner of Christine K. Beauty School. In attendance were Joanne Wenzel, Bureau Chief; Ileana Butu, DCA legal; Christine Khuu, Owner and Tony Hoh, Attorney for respondent.

Pursuant to Business and Professions Code, §125.9; California Education Code, §94936; and Title 5 of the California Code of Regulations, §75020 and §75040, the Bureau for Private Postsecondary Education (Bureau) renders the following decision relative to your appeal of the Citation No. 1314017.

It is the decision of the Bureau Chief that on March 2, 2015 Citation No. 1314017 is modified and makes the following change(s):

VIOLATION CODE SECTIONS

#	The California Education Code (CEC) and the California Code of Regulations (CCR). Below you will find the section(s) you are charged with violating.
1.	<p>MODIFIED</p> <p><u>Violation:</u> CCR 71660 - Notification of Non-Substantive Changes. <i>"An institution shall notify the Bureau of a non-substantive change including: change of location of less than 10 miles; addition of a program related to the approved programs offered by the institution; addition of a new branch five miles or less from the main or branch campus; addition</i></p>

of a satellite; and change of mailing address. All such notifications shall be made within 30 days of the change and sent to the Bureau, in writing, to the address listed in section 70020."

The institution offers an unapproved makeup course. The Bureau has not received notification.

Order of Abatement:

The Bureau orders that the institution send notification immediately of the addition of a permanent makeup program.

Reason for modification: Bureau received written notification on 12/12/14 of the addition of a permanent makeup program.

The administrative fine for this violation has been modified from \$501.00 to \$250.00.

2. **AFFIRMED**

Violation:

CEC 94897(j)(3) - Prohibited Business Practices

"An institution shall not do any of the following:

(j) In any manner make an untrue or misleading change in, or untrue or misleading statement related to, a test score, grade or record of grades, attendance record, record indicating student completion, placement, employment, salaries, or financial information, including any of the following:

(3) Any other record or document required by this chapter or by the bureau."

Student files contained post-dated time sheets, proof of training documents, and diplomas.

Order of Abatement:

The Bureau orders that the institution remove any post-dated items from the student file. Time sheets, proof of training documents and diplomas shall be added as completed.

Assessment of Fine

The fine for this violation is \$10,000.00

3. **AFFIRMED**

Violation:

CEC 94900(b)(1)(2)(3) - Required Student Records

"(b) An institution shall maintain, for each student granted a degree or certificate by that institution, permanent records of all of the following:

(1) The degree or certificate granted and the date on which that degree or certificate was granted.

(2) The courses and units on which the certificate or degree was based.

(3) The grades earned by the student in each of those courses."

	<p>Student files do not contain required records.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution provide the Bureau with a detailed description of how the institution will maintain student records according to CEC 94900 by 12/12/14.</p> <p><u>Assessment of Fine:</u> The fine for this violation is <u>\$501.00</u></p>
4.	<p>MODIFIED</p> <p><u>Violation:</u> CEC 94900.5 (b) - Required Institutional Records <i>"An institution shall maintain, for a period of not less than five years, at its principal place of business in this state, complete and accurate records of all of the following information: (b) The names and addresses of the members of the institution's faculty and records of the educational qualifications of each member of the faculty."</i></p> <p>And</p> <p>CCR 71730 (a) – Administration <i>"(a) Each institution shall have a chief executive officer, a chief operating officer and chief academic officer. One person may serve more than one function."</i></p> <p>The institution failed to maintain faculty records.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution develop a chain of command according to CEC 94900.5 and submit this information to the Bureau.</p> <p>Reason for modification: The Institution supplied an organizational chart to the Bureau on 12/12/14 which contained a chain of command.</p> <p>The administrative fine for this violation has been modified from \$501.00 to <u>\$100.00</u>.</p>
5.	<p>AFFIRMED</p> <p><u>Violation:</u> CEC 94909(a) (1-15) (A-E) - Minimum Requirements for School Catalog <i>"(a) Prior to enrollment, an institution shall provide a prospective student, either in writing or electronically, with a school catalog containing, at a minimum, all of the following: (1) The name, address, telephone number, and, if applicable, Internet Web site address of the institution. (2) Except as specified in Article 2 (commencing with Section 94802), a statement that the institution is a private institution and that it is approved to operate by the bureau. (3) The following statements: (A) "Any questions a student may have regarding this catalog that have not been satisfactorily answered by the institution may be directed to the Bureau for Private Postsecondary Education at</i></p>

(address), Sacramento, CA (ZIP Code), (Internet Web site address), (telephone and fax numbers)."

(B) "As a prospective student, you are encouraged to review this catalog prior to signing an enrollment agreement. You are also encouraged to review the School Performance Fact Sheet, which must be provided to you prior to signing an enrollment agreement."

(C) "A student or any member of the public may file a complaint about this institution with the Bureau for Private Postsecondary Education by calling (toll-free telephone number) or by completing a complaint form, which can be obtained on the bureau's Internet Web site (Internet Web site address)."

(4) The address or addresses where class sessions will be held.

(5) A description of the programs offered and a description of the instruction provided in each of the courses offered by the institution, the requirements for completion of each program, including required courses, any final tests or examinations, any required internships or externships, and the total number of credit hours, clock hours, or other increments required for completion.

(6) If the educational program is designed to lead to positions in a profession, occupation, trade, or career field requiring licensure in this state, a notice to that effect and a list of the requirements for eligibility for licensure.

(7) Information regarding the faculty and their qualifications.

(8) A detailed description of institutional policies in the following areas:

(A) Admissions policies, including the institution's policies regarding the acceptance of credits earned at other institutions or through challenge examinations and achievement tests, admissions requirements for ability-to-benefit students, and a list describing any transfer or articulation agreements between the institution and any other college or university that provides for the transfer of credits earned in the program of instruction. If the institution has not entered into an articulation or transfer agreement with any other college or university, the institution shall disclose that fact.

(B) Cancellation, withdrawal, and refund policies, including an explanation that the student has the right to cancel the enrollment agreement and obtain a refund of charges paid through attendance at the first class session, or the seventh day after enrollment, whichever is later. The text shall also include a description of the procedures that a student is required to follow to cancel the enrollment agreement or withdraw from the institution and obtain a refund consistent with the requirements of Article 13 (commencing with Section 94919).

(C) Probation and dismissal policies.

(D) Attendance policies.

(E) Leave-of-absence policies.

(9) The schedule of total charges for a period of attendance and an estimated schedule of total charges for the entire educational program.

(10) A statement reporting whether the institution participates in federal and state financial aid programs, and if so, all consumer information that is required to be disclosed to the student pursuant to the applicable federal and state financial aid programs.

(11) A statement specifying that, if a student obtains a loan to pay for an educational program, the student will have the responsibility to repay the full amount of the loan plus interest, less the amount of any refund, and that, if the student has received federal student financial aid funds, the student is entitled to a refund of the monies not paid from federal student financial aid program funds.

(12) A statement specifying whether the institution has a pending petition in bankruptcy, is operating as a debtor in possession, has filed a petition within the preceding five years, or has had

a petition in bankruptcy filed against it within the preceding five years that resulted in reorganization under Chapter 11 of the United States Bankruptcy Code (11 U.S.C. Sec. 1101 et seq.).

(13) If the institution provides placement services, a description of the nature and extent of the placement services.

(14) A description of the student's rights and responsibilities with respect to the Student Tuition Recovery Fund. This statement shall specify that it is a state requirement that a student who pays his or her tuition is required to pay a state-imposed assessment for the Student Tuition Recovery Fund. This statement shall also describe the purpose and operation of the Student Tuition Recovery Fund and the requirements for filing a claim against the Student Tuition Recovery Fund.

(15) The following statement:

"NOTICE CONCERNING TRANSFERABILITY OF CREDITS AND CREDENTIALS EARNED AT OUR INSTITUTION

The transferability of credits you earn at (name of institution) is at the complete discretion of an institution to which you may seek to transfer. Acceptance of the (degree, diploma, or certificate) you earn in (name of educational program) is also at the complete discretion of the institution to which you may seek to transfer. If the (credits or degree, diploma, or certificate) that you earn at this institution are not accepted at the institution to which you seek to transfer, you may be required to repeat some or all of your coursework at that institution. For this reason you should make certain that your attendance at this institution will meet your educational goals. This may include contacting an institution to which you may seek to transfer after attending (name of institution) to determine if your (credits or degree, diploma or certificate) will transfer."

The school catalog does not contain the specific required information including:

- Bureau's telephone number or website address
- Bankruptcy statement
- Transferability statement
- STRF statement
- Complaint information,
- Dismissal and attendance policy
- Addresses where sessions are held
- Prospective student statement
- Bureau referral information

Order of Abatement:

The Bureau orders that the institution make corrections to their school catalog and submit evidence of compliance with CEC 94909(a) (1-15) (A-E) to the Bureau by 12/12/14.

	<p>Assessment of Fine: The fine for this violation is <u>\$450.00</u></p>
6.	<p>MODIFIED</p> <p>Violation: CEC 94911 (b) - Minimum Requirements for Enrollment Agreement <i>"An enrollment agreement shall include, at a minimum, all of the following: (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>The institution's Enrollment Agreement does not list total charges, estimated charges and nonrefundable charges.</p> <p>Order of Abatement: The Bureau orders that the institution correct its enrollment agreement according to CEC 94911 (b) and submit evidence of compliance to the Bureau.</p> <p>Reason for modification: Institution submitted a corrected Enrollment Agreement on 12/12/14.</p> <p>The administrative fine for this violation has been modified from \$50.00 to <u>\$25.00</u>.</p>
7.	<p>MODIFIED</p> <p>Violation: CEC 94911 (c) - Minimum Requirements for Enrollment Agreement <i>"An enrollment agreement shall include, at a minimum, all of the following: (c) In underlined capital letters on the same page of the enrollment agreement in which the student's signature is required, the total charges for the current period of attendance, the estimated total charges for the entire educational program, and the total charges the student is obligated to pay upon enrollment."</i></p> <p>The Enrollment Agreement does not list in underlined capital letters on the same page of the Enrollment Agreement in which the student's signature is required, the total charges for the current period of attendance, the estimated total charges for the entire educational program and the total charges the student is obligated to pay upon enrollment.</p> <p>Order of Abatement The Bureau orders that the institution correct the enrollment agreement to demonstrate compliance with CEC 94911 (c). Submit evidence of compliance to the Bureau.</p> <p>Reason for modification: Institution submitted a compliant Enrollment Agreement to the Bureau on 12/12/14 after the informal conference.</p> <p>The administrative fine for this violation has been modified from \$50.00 to <u>\$25.00</u>.</p>

8.	<p>AFFIRMED</p> <p><u>Violation:</u> CEC 94911 (d) – Minimum Requirements for Enrollment Agreement <i>“An enrollment agreement shall include, at a minimum, all of the following: d) A clear and conspicuous statement that the enrollment agreement is legally binding when signed by the student and accepted by the institution.”</i></p> <p>The Enrollment Agreement does not list that the Enrollment Agreement is legally binding when signed, as required by in CEC 94911 (d).</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution correct the enrollment agreement to demonstrate compliance with CEC 94911 (d). Submit evidence of compliance to the Bureau.</p> <p><u>Assessment of Fine:</u> The fine for this violation is <u>\$50.00</u></p>
9.	<p>AFFIRMED</p> <p><u>Violation:</u> CEC 94911 (e) (1) – Minimum Requirements for Enrollment Agreement <i>“An enrollment agreement shall include, at a minimum, all of the following: (e) (1) A disclosure with a clear and conspicuous caption, “STUDENT’S RIGHT TO CANCEL,” under which it is explained that the student has the right to cancel the enrollment agreement and obtain a refund of charges paid through attendance at the first class session, or the seventh day after enrollment, whichever is later.”</i></p> <p>The Enrollment Agreement does not list the “STUDENT’S RIGHT TO CANCEL” as described in CEC 94911 (e) (1).</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution correct the enrollment agreement to demonstrate compliance with CEC 94911 (e) (1). Submit evidence of compliance to the Bureau by 12/12/14.</p> <p><u>Assessment of Fine:</u> The fine for this violation is <u>\$50.00</u></p>
10.	<p>MODIFIED</p> <p><u>Violation:</u> CEC 94911 (f) – Minimum Requirements for Enrollment Agreement <i>“An enrollment agreement shall include, at a minimum, all of the following: (f) A statement specifying that, if the student obtains a loan to pay for an educational program, the student will have the responsibility to repay the full amount of the loan plus interest, less the</i></p>

	<p><i>amount of any refund."</i></p> <p>The Enrollment Agreement does not list the refund information as required by in CEC 94911 (f).</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution correct the enrollment agreement to demonstrate compliance with CEC 94911 (f). Submit evidence of compliance to the Bureau by 12/12/14.</p> <p>Reason for modification: Institution submitted a corrected Enrollment Agreement on 12/12/14.</p> <p>The administrative fine for this violation has been modified from \$50.00 to <u>\$25.00</u>.</p>
11.	<p>MODIFIED</p> <p><u>Violation:</u> CEC 94911 (g)(1)(2) - Minimum Requirements for Enrollment Agreement <i>"An enrollment agreement shall include, at a minimum, all of the following: (g) A statement specifying that, if the student is eligible for a loan guaranteed by the federal or state government and the student defaults on the loan, both of the following may occur: (1) The federal or state government or a loan guarantee agency may take action against the student, including applying any income tax refund to which the person is entitled to reduce the balance owed on the loan. (2) The student may not be eligible for any other federal student financial aid at another institution or other government assistance until the loan is repaid."</i></p> <p>The Enrollment Agreement does not list the statement as described in CEC 94911 (g) (1) (2).</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution correct the enrollment agreement in compliance with 94911 (g) (1) (2). Submit evidence of compliance to the Bureau</p> <p>Reason for modification: Institution submitted a corrected Enrollment Agreement on 12/12/14.</p> <p>The administrative fine for this violation has been modified from \$50.00 to <u>\$25.00</u>.</p>
12.	<p>AFFIRMED</p> <p><u>Violation:</u> CEC 94911 (h) – Minimum Requirements for Enrollment Agreement <i>"An enrollment agreement shall include, at a minimum, all of the following: (h) The transferability disclosure that is required to be included in the school catalog, as specified in paragraph (15) of subdivision (a) of Section 94909."</i></p> <p>The transferability disclosure, as required by CEC 94911(h), is not listed on the Enrollment Agreement.</p>

	<p><u>Order of Abatement:</u> The Bureau orders that the institution add the transferability disclosure to the enrollment agreement to demonstrate compliance with CEC 94911 (h). Submit evidence of compliance to the Bureau by 12/12/14.</p> <p><u>Assessment of Fine:</u> The fine for this violation is <u>\$50.00</u></p>
13.	<p>AFFIRMED</p> <p><u>Violation:</u> CEC 94911 (i)(1)(2) –Minimum Requirements for Enrollment Agreement <i>"An enrollment agreement shall include, at a minimum, all of the following:</i> <i>(i) (1) The following statement: "Prior to signing this enrollment agreement, you must be given a catalog or brochure and a School Performance Fact Sheet, which you are encouraged to review prior to signing this agreement. These documents contain important policies and performance data for this institution. This institution is required to have you sign and date the information included in the School Performance Fact Sheet relating to completion rates, placement rates, license examination passage rates, salaries or wages, and the most recent three-year cohort default rate, if applicable, prior to signing this agreement."</i> <i>(2) Immediately following the statement required by paragraph (1), a line for the student to initial, including the following statement: "I certify that I have received the catalog, School Performance Fact Sheet, and information regarding completion rates, placement rates, license examination passage rates, salary or wage information, and the most recent three-year cohort default rate, if applicable, included in the School Performance Fact sheet, and have signed, initialed, and dated the information provided in the School Performance Fact Sheet."</i></p> <p>The Enrollment Agreement does not list the statement as required in CEC 94911 (1) (2) and does not include a line for students to initial as required by CEC 94911 (1)(2).</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution add the required language to the Enrollment Agreement to demonstrate compliance with CEC 94911 (i) (1) (2). Submit evidence of compliance to the Bureau.</p> <p><u>Assessment of Fine:</u> The fine for this violation is <u>\$50.00</u></p>
14.	<p>MODIFIED</p> <p><u>Violation:</u> CEC 94911(j)(2) - Minimum Requirements for Enrollment Agreement <i>"An enrollment agreement shall include, at a minimum, all of the following:</i> <i>(j) The following statements:</i></p>

(2) "A student or any member of the public may file a complaint about this institution with the Bureau for Private Postsecondary Education by calling (toll-free telephone number) or by completing a complaint form, which can be obtained on the bureau's Internet Web site (Internet Web site address)."

The Enrollment Agreement does not list the statement as required by CEC 94911 (j) (2).

Order of Abatement

The Bureau orders that the institution add the required language to the enrollment agreement to demonstrate compliance with CEC 94911 (j) (2). Submit evidence of compliance to the Bureau by 12/12/14.

Reason for modification: Institution submitted a corrected Enrollment Agreement on 12/12/14.

The administrative fine for this violation has been modified from \$50.00 to \$25.00.

15. **MODIFIED**

Violation:

CEC 94911 (k) - Minimum Requirements for Enrollment Agreement

"An enrollment agreement shall include, at a minimum, all of the following:

(k) The following statement above the space for the student's signature:

"I understand that this is a legally binding contract. My signature below certifies that I have read, understood, and agreed to my rights and responsibilities, and that the institution's cancellation and refund policies have been clearly explained to me."

The Enrollment Agreement does not list the statement as described in 94911 (k).

Order of Abatement:

The Bureau orders that the institution add the transferability disclosure to the enrollment agreement in compliance with CEC 94911 (k). Submit evidence of compliance to the Bureau.

Reason for modification: Institution submitted a corrected Enrollment Agreement.

The administrative fine for this violation has been modified from \$50.00 to \$25.00.

16. **AFFIRMED**

Violation:

CEC 94930.5 (d)(1)(A)(2) - Fee Schedule

"An institution shall remit to the bureau for deposit in the Private Postsecondary Education Administration Fund the following fees, in accordance with the following schedule:

(d) (1) In addition to any fees paid to the bureau pursuant to subdivisions (a) to (c), inclusive, each institution that is approved to operate pursuant to this chapter shall remit both of the following:

(A) An annual institutional fee, in an amount equal to three-quarters of 1 percent of the institution's annual revenues derived from students in California, but not exceeding a total of twenty-five thousand dollars (\$25,000) annually.

	<p><i>(2) The amount of the annual fees pursuant to paragraph (1) shall be proportional to the bureau's cost of regulating the institution under this chapter."</i></p> <p>And</p> <p>CCR 74000(a)(c)(e)(1) Fees and Penalties - General Provisions <i>"(a) An institution shall pay the fees established by Article 17 of the Act. A failure to include a fee with an application or other request renders the application or request incomplete. (c) A fee that is not paid timely is subject to penalty as set forth in section 94931 of the Code. (e)(1) If an institution fails to pay any fee and any penalty fees timely, the Bureau may initiate proceedings to revoke the institution's approval to operate for failure to pay fees."</i></p> <p>The institution has failed to pay annual fees due October 2012.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution date with future payments.</p> <p><u>Assessment of Fine:</u> There is no fine for this violation as the delinquent fees have been paid.</p>
17.	<p>MODIFIED</p> <p><u>Violation:</u> CEC 94893 - Authorization Required for Substantive Change <i>"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."</i></p> <p>The school is teaching in the following languages which have not been approved by the Bureau: Vietnamese, Chinese, and Spanish.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution obtain Bureau approval prior to teaching in any language other than approved. Submit evidence of compliance to the Bureau by 12/12/2014.</p> <p>Reason for modification: On 12/12/14, Institution submitted statements that the materials and books are in English. The instructors assist in Vietnamese, Chinese and Spanish.</p> <p>The administrative fine for this violation has been modified from \$5000.00 to <u>\$0.00</u>.</p>
18.	<p>AFFIRMED</p> <p><u>Violation:</u> CCR 71660 - Notification of Non-Substantive Changes</p>

	<p><i>"An institution shall notify the Bureau of a non-substantive change including: change of location of less than 10 miles; addition of a program related to the approved programs offered by the institution; addition of a new branch five miles or less from the main or branch campus; addition of a satellite; and change of mailing address. All such notifications shall be made within 30 days of the change and sent to the Bureau, in writing, to the address listed in section 70020."</i></p> <p>During the visit to the institution, it was found the institution is located in suite 204, not 203. The institution has not submitted information indicating a change in location.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution notify the Bureau of any changes in location according to CCR 71660. Submit written evidence of compliance to the Bureau by 12/12/14.</p> <p><u>Assessment of Fine:</u> There is no fine for this violation</p>
19.	<p>MODIFIED</p> <p><u>Violation:</u> CCR 71800 (a) - Enrollment Agreement <i>"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: (a) The name and address of the institution and the addresses where instruction will be provided.</i></p> <p>Enrollment Agreement does not list the addresses where instruction is provided.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution revise their Enrollment Agreement in accordance with CCR 71800 (a). Submit evidence of compliance to the Bureau.</p> <p>Reason for modification: Institution submitted a corrected Enrollment Agreement on 12/12/14.</p> <p>The administrative fine for this violation has been modified from \$50.00 to <u>\$25.00</u>.</p>
20.	<p>AFFIRMED</p> <p><u>Violation:</u> CCR 71800 (d) - Enrollment Agreement <i>"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: (d) Date by which the student must exercise his or her right to cancel or withdraw, and the refund policy, including any alternative method of calculation if approved by the Bureau pursuant to section 94921 of the Code."</i></p> <p>Enrollment Agreement does not list a date by which students must exercise their right to cancel as required by CCR 71800(d).</p>

	<p><u>Order of Abatement:</u> The Bureau orders that the institution revise their Enrollment Agreement in accordance with 71800 (d). Submit evidence of compliance to the Bureau by 12/12/14.</p> <p><u>Assessment of Fine:</u> The fine for this violation is <u>\$50.00</u></p>
21.	<p>MODIFIED</p> <p><u>Violation:</u> CCR 71800 (e) - Enrollment Agreement <i>"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; (2) registration fee (non-refundable); (3) equipment; (4) lab supplies or kits; (5) Textbooks, or other learning media; (6) uniforms or other special protective clothing; (7) in-resident housing; (8) tutoring; (9) assessment fees for transfer of credits; (10) fees to transfer credits; (11) Student Tuition Recovery Fund fee (non-refundable); (12) any other institutional charge or fee."</i></p> <p>The Enrollment Agreement does not itemize institutional charges.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution itemize institutional charges in accordance with CCR 71800 (e). Submit evidence of compliance to the Bureau.</p> <p>Reason for modification: Institution submitted a corrected Enrollment Agreement.</p> <p>The administrative fine for this violation has been modified from \$50.00 to <u>\$25.00</u>.</p>
22.	<p>AFFIRMED</p> <p><u>Violation:</u> CCR 74006 (a) - Annual Fee <i>"(a) An institution's annual fee is due within 30 days of the date on which the institution originally receives its approval to operate and each year thereafter on the anniversary of the date of the original approval."</i></p>

	<p>The institution failed to pay 2012 annual fees on time.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution stay up to date with future payments.</p> <p><u>Assessment of Fine:</u> There is no fine for this violation as the delinquent fees have been paid.</p>
23.	<p>AFFIRMED</p> <p><u>Violation:</u> CCR 74006 (b) - Annual Fee <i>"(b) An institution shall pay its annual fee in addition to any other applicable fees."</i></p> <p>The institution failed to pay 2012 annual fees and delinquency fees.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution stay up to date with future payments.</p> <p><u>Assessment of Fine:</u> There is no fine for this violation as the delinquent fees have been paid.</p>
24.	<p>AFFIRMED</p> <p><u>Violation:</u> CCR 76020 (a) (1)(2) - Student Tuition Recovery Fund (STRF) <i>"(a) The fund exists to relieve or mitigate economic losses suffered by a student in an educational program as defined in section 94837 of the Code at a qualifying institution, who is or was a California resident or was enrolled in a residency program, if the student enrolled in the institution, prepaid tuition, paid the assessment, and suffered loss as a result of any of the following: (1) The closure of the institution; (2) The institution's failure to pay refunds or charges on behalf of a student to a third party for license fees or any other purposes, or to provide equipment or materials for which a charge was collected within 180 days before the closure of the institution;"</i></p> <p>The institution failed to pay STRF for 4th quarter 2011, 2nd quarter 2012, and 4th quarter 2012.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution collect and pay STRF on behalf each eligible student enrolled.</p> <p><u>Assessment of Fine:</u> There is no fine for this violation as the delinquent STRF payments have been paid.</p>
25.	<p>MODIFIED</p>

	<p><u>Violation:</u> CCR 76120 (a) - Amount of STRF Assessment <i>"(a) Each qualifying institution shall collect an assessment of fifty cents (\$.50) per one thousand dollars (\$1,000) of institutional charges, rounded to the nearest thousand dollars, from each student in an educational program who is a California resident or is enrolled in a residency program. For institutional charges of one thousand dollars (\$1,000) or less, the assessment is fifty cents (\$.50)."</i></p> <p>School failed to collect STRF fees from students.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution collect STRF from each eligible student according to CCR 76120 (a) and itemize this charge on the enrollment agreement. Submit evidence of compliance to the Bureau.</p> <p>Reason for modification: Institution has paid STRF fees.</p> <p>The administrative fine for this violation has been modified from \$5000.00 to <u>\$2500.00</u>.</p>
26.	<p>AFFIRMED</p> <p><u>Violation:</u> CCR 76130 (b)(3)(4) - Collection and Submission of Assessments <i>"(b) A qualifying institution shall complete the STRF Assessment Reporting Form (Rev. 2/10) and remit it with the STRF assessments collected from students to be received by the Bureau no later than the last day of the month following the close of the quarter as follows: (3) October 31 for the third quarter, and (4) January 31 for the fourth quarter. If the due date falls on a Saturday, Sunday or State or federal holiday, the due date shall be extended to the next regular"</i></p> <p>The institution has failed to report STRF assessments for 4th quarter 2011, 2nd quarter 2012, and 4th quarter 2012.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution provide the Bureau with a detailed plan on how the institution will collect STRF from each student according to CCR 76130 (b) (3) (4).</p> <p><u>Assessment of Fine:</u> There is no fine for this violation as the delinquent STRF assessments were received by the Bureau on 12/12/14.</p>
<p>TOTAL MODIFIED ADMINISTRATIVE FINE DUE: \$14,251.00</p>	

ORDER OF ABATEMENT

The Bureau orders that you comply with the orders described in the 'Violation Code Sections' of this document and submit evidence of compliance within **30 days** from the date of this decision.

PENALTY - ASSESSMENT OF A FINE

Payment of the administrative fine is due within **30 days** from the date of this decision. Please complete the Payment of Fine form. Payment must be made to the Bureau by check, or money order. Please include the citation number on the payment of the fine assessment. Payment of the administrative fine shall not constitute an admission of the violation(s) charged and shall be represented as satisfactory resolution of the matter for purposes of public disclosure. Payments may be mailed to:

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

APPEAL OF CITATION

You *do not* have the right to request another Informal Conference to appeal this modified Citation. You *do*, however, have the right to appeal this modified Citation through an Administrative Hearing, *only if* you initially requested one within 30 days from the issuance date of the original citation. A hearing before an Administrative Law Judge will be scheduled and you will be notified of the hearing date. The hearing will be held pursuant to Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code. If you did not initially request an Administrative Hearing within 30 days from when the original citation was issued, you can no longer request one.

If you do not wish to appeal this modified Citation you must withdraw your initial request for an Administrative Hearing, if one was made. Please complete and mail the enclosed Withdrawal - Request for Administrative Hearing within **30 Days** of the date of this decision.

EFFECTIVE DATE OF CITATION AND FINE ASSESSMENT

This modified Citation is effective on March 3, 2015. The order of abatement and payment are due by **April 2, 2015**.

Failure to abate the violation or to pay the administrative fine within the time allowed is grounds for denial of an application for an approval to operate or discipline. The Bureau will promptly take all appropriate action to enforce the Affirmed 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 decision or desire further information, please contact Jody Wright, Enforcement Analyst, at (916) 431-6940 or at Jody.Wright@dca.ca.gov.



JOANNE WENZEL
BUREAU CHIEF

March 3, 2015
Date

Enclosures

- Payment of Fine - Waiver of Appeal Rights
- Withdrawal - Request for Administrative Hearing
- Notice of Appeal
- Statement of Rights
- Copy of Citation Order Number 1314017