



**APPEAL OF CITATION INFORMAL CONFERENCE**  
**DECISION: CITATION MODIFIED**

September 16, 2022

Claudia Macias, Owner  
 Divina Cosmetology & Barbering Academy  
 1011 Mason Street, Units 5&6  
 Vacaville, CA 95688

Date of Issuance	Citation Number	Institution Code
September 19, 2022	2122146	78865145

On August 17, 2022, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 2122146 (Citation) against Claudia Macias, Owner of Divina Cosmetology & Barbering Academy (Institution). In attendance were Ebony Santee, Licensing Chief, Claudia Macias, Owner and Valerie Valedez, Assistant Director.

Pursuant to Business and Professions Code, section 125.9; California Education Code, section 94936; and Title 5 of the California Code of Regulations, section 75020 and section 75040, the Bureau for Private Postsecondary Education (Bureau) renders the following decision relative to your appeal of the Citation No. 2122146.

It is the decision of the Licensing Chief that on September 2, 2022, Citation No. 2122146 is modified and makes the following change(s):

VIOLATION CODE SECTIONS

#	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><u>Violation:</u></b>  <b>5, CCR Section 76140(a)(1-13)(b) – Record-Keeping Requirements</b>  <i>“(a) A qualifying institution shall collect and maintain records of student information to substantiate the data reported on the STRF Assessment Reporting Form and records of the students' eligibility under the Fund. Such records shall include the following for each student:</i>            (1) Student identification number,            (2) First and last names,            (3) Email address,            (4) Local or mailing address,            (5) Address at the time of enrollment,            (6) Home address,            (7) Date enrollment agreement signed,            (8) Courses and course costs,            (9) Amount of STRF assessment collected,            (10) Quarter in which the STRF assessment was remitted to the Bureau,</p>

- (11) Third-party payer identifying information,  
(12) Total institutional charges charged, and  
(13) Total institutional charges paid.

(b) The qualifying institution shall maintain the data required under this section in an electronic format that is readily available and open to inspection by the Bureau upon request. The institution shall make the records immediately available to a Bureau representative conducting a site inspection or, upon written request, shall provide a copy within 14 calendar days of the request. All records shall be provided to the Bureau in an intelligible and orderly manner and in an electronic format.”

**5, CCR Section 71930 – Maintenance Records (e)**

“(e) All records that the institution is required to maintain by the Act or this chapter shall be made immediately available by the institution for inspection and copying during normal business hours by the Bureau and any entity authorized to conduct investigations.”

During the Inspection, Bureau staff requested the supporting documentation to substantiate the data reported for STRF. The Institution’s Owner stated that she was not tracking the required STRF data and could not provide the supporting documentation by the end of the onsite inspection.

**Order of Abatement:**

The Bureau orders the Institution to submit the most current supporting documentation for the most current STRF that includes all the required data. In addition, the Institution shall submit to the Bureau a written policy, or procedure, of how future compliance will be maintained per 5, CCR section 76140 and 71930.

**Assessment of Fine**

The fine for this violation is \$1,000.00

2.

**Violation:**

**5, CCR Section 74112 (m)(1-9) – Uniform Data – Annual Report, Performance Fact Sheet**

“(m) Documentation supporting all data reported shall be maintained electronically by the institution for at least five years from the last time the data was included in either an Annual Report or a Performance Fact Sheet, and shall be provided to the Bureau upon request; and the data for each program shall include at a minimum:

- (1) the list of job classifications determined to be considered gainful employment for the educational program;
- (2) student name(s), address, phone number, email address, program completed, program start date, scheduled completion date, and actual completion dates;
- (3) graduate’s place of employment and position, date employment began, date employment ended, if applicable, actual salary, hours per week, and the date employment was verified;
- (4) for each employer from which employment or salary information was obtained, the employer name(s) address and general phone number, the contact person at the employer and the contact’s phone number and email address, and all written communication with employer verifying student’s employment or salary;
- (5) for students who become self-employed, all documentation necessary to demonstrate self-employment;
- (6) a description of all attempts to contact each student. or employer;
- (7) any and all documentation used to provide data regarding license examinations and examination results;
- (8) for each student determined to be unavailable for graduation or unavailable for employment, the identity of the student, the type of unavailability, the dates of unavailability, and the documentation of

the unavailability; and

(9) the name, email address, phone number, and position or title of the institution's representative who was primarily responsible for obtaining the students' completion, placement, licensing, and salary and wage data, the date that the information was gathered, and copies of notes, letters or emails through which the information was requested and gathered."

**5, CCR Section 71930 – Maintenance Records (e)**

*"(e) All records that the institution is required to maintain by the Act or this chapter shall be made immediately available by the institution for inspection and copying during normal business hours by the Bureau and any entity authorized to conduct investigations."*

During the Inspection, Bureau staff requested the supporting documentation to substantiate the data reported on the 2019-2020 SPFS. The Institution's Owner stated that the Institution did not have any documentation to provide as the pandemic caused the school to close and she did not track the data.

**Order of Abatement:**

The Bureau orders the Institution to submit the supporting documentation for the most current SPFS that includes all the required data. In addition, the Bureau orders the Institution to submit a written policy, or procedure, of how the Institution will maintain future compliance with 5, CCR Section 74112 and 71930.

**Assessment of Fine**

The fine for this violation is \$5,000.00

Reason for modification: New substantive facts were presented at the conference.

The administrative fine for this violation has been modified from \$5,000.00 to \$4,000.00.

3. **Violation:**

**5, CCR Section 71745(c) – Financial Statements**

*"(c) An institution shall provide to the Bureau its most current financial statements upon request."*

**5, CCR Section 71930 – Maintenance Records (e)**

*"(e) All records that the institution is required to maintain by the Act or this chapter shall be made immediately available by the institution for inspection and copying during normal business hours by the Bureau and any entity authorized to conduct investigations."*

During the Inspection, Bureau staff requested the Institution's most recent financial statements. The Institution's Owner provided the Accounts Receivable report to the Bureau staff via email. The report did not contain a balance sheet, income statement, and cash flow statement; therefore, the Bureau was unable to determine if the Institution meets the required financial ratio. The Institution's Owner was unable to provide Bureau staff with financial statements that were compliant with 5, CCR section 74115.

**Order of Abatement:**

The Bureau orders the Institution to submit a hard copy of the financial statements for year-end 2021, and to submit a written policy, or procedure, of how the Institution will maintain future compliance with 5, CCR Section 71745, 74115, and 71930.

	<b><u>Assessment of Fine</u></b> The fine for this violation is <u>\$2,500.00</u>
<b>TOTAL MODIFIED ADMINISTRATIVE FINE DUE: <u>\$7,500.00</u></b>	

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:

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

APPEAL OF CITATION

You *do not* have the right to request another Informal Conference to appeal this modified Citation. 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.

EFFECTIVE DATE OF CITATION AND FINE ASSESSMENT

This modified Citation is effective on **September 16, 2022**. The Order of Abatement and payment are due by **October 16, 2022**.

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 Modified 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 Cheryl Lardizabal, Citation Analyst, at (916) 574-7427 or at Cheryl.Lardizabal@dca.ca.gov.

“Original Signature on File”

“9/16/2022”

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

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**Date**

Enclosures

- Payment of Fine – Waiver of Appeal Rights
- Declaration of Service by Certified and First-Class Mail