



**Bureau for Private Postsecondary Education**  
 2555 Capitol Oaks Drive, Suite 400, Sacramento, CA 95833  
 P.O. Box 980818, West Sacramento, CA 95798-0818  
 P (916) 431-6959 F (916) 263-1897 www.bppe.ca.gov



**NOTICE TO COMPLY - CU-3014561-0818 (Ed. Code §94935 & 5, CCR §75010)**

Institution Name:	Coastline Beauty College	Institution Telephone:	714-963-4000
Institution Code:	3014561	Administrator Name:	Tom Do
Street Address:	16151 Harbour Blvd. Fountain Valley, CA 92708	Date of Inspection:	8/30/18

Nature and Facts of the Violation(s), Including a Reference to the Statute or Regulation Violated, and Manner in Which the Institution Must Correct the Violation to Achieve Compliance:

**CATALOG MINIMUM REQUIREMENTS**

Item No.	Referenced Law	Deficiency - Requested Submission
1	CEC §94905(a)	<p>(a) During the enrollment process, an institution offering educational programs designed to lead to positions in a profession, occupation, trade, or career field requiring licensure in this state shall exercise reasonable care to determine if the student will not be eligible to obtain licensure in the profession, occupation, trade, or career field at the time of the student's graduation and shall provide all students enrolled in those programs with a written copy of the requirements for licensure established by the state, including any applicable course requirements established by the state. If the minimum course requirements of the institution exceed the minimum requirements for state licensure, the institution shall disclose this information, including a list of those courses that are not required for state licensure. The institution shall not execute an enrollment agreement with a student that is known to be ineligible for licensure, unless the student's stated objective is other than licensure.</p> <p>The school offers a 600-hour manicure program. The California Board of Barbering &amp; Cosmetology requirement for licensure is 400 hours, therefore the school must disclose to the students that this program exceeds the minimum requirements for state licensure.</p> <p>To remedy this violation the school shall include in its catalog a disclosure for this program that indicates the program exceeds the minimum requirements for state licensure, and include a list of those courses that are not required for state licensure.</p>
2	5, CCR §71810(b)(3)	<p>(b) The catalog shall contain the information prescribed by Section 94909 of the Code and all of the following:</p> <p>(3) If the institution admits students from other countries, whether visa services are provided or</p>

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		<p>whether the institution will vouch for student status, and any associated charges;</p> <p><b>Page 9 of the catalog indicates the school does not provide services for obtaining a visa, however, page 25 of the catalog indicates it issues I-20 documentation for M-1 visas.</b></p> <p><b>To remedy this violation the school shall clearly indicate whether or not it provides visa services.</b></p>
3	5, CCR §76215(a)	<p>(a) A qualifying institution shall include the following statement on both its enrollment agreement and school catalog:          “The State of California established the Student Tuition Recovery Fund (STRF) to relieve or mitigate economic loss suffered by a student in an educational program at a qualifying institution, who is or was a California resident while enrolled, or was enrolled in a residency program, if the student enrolled in the institution, prepaid tuition, and suffered an economic loss. Unless relieved of the obligation to do so, you must pay the state-imposed assessment for the STRF, or it must be paid on your behalf, if you are a student in an educational program, who is a California resident, or are enrolled in a residency program, and prepay all or part of your tuition. You are not eligible for protection from the STRF and you are not required to pay the STRF assessment, if you are not a California resident, or are not enrolled in a residency program.”</p> <p><b>The STRF disclosures in the catalog are out of date.</b></p> <p><b>To remedy this violation the school shall update the STRF disclosures.</b></p>
4	5, CCR §76215(b)	<p>(b) In addition to the statement required under subdivision (a) of this section, a qualifying institution shall include the following statement in its school catalog: “It is important that you keep copies of your enrollment agreement, financial aid documents, receipts, or any other information that documents the amount paid to the school. Questions regarding the STRF may be directed to the Bureau for Private Postsecondary Education, 2535 Capitol Oaks Drive, Suite 400, Sacramento, CA 95833, (916) 431-6959 or (888) 370-7589. To be eligible for STRF, you must be a California resident or are enrolled in a residency program, prepaid tuition, paid or deemed to have paid the STRF assessment, and suffered an economic loss as a result of any of the following:</p> <ol style="list-style-type: none"> <li>1. The institution, a location of the institution, or an educational program offered by the institution was closed or discontinued, and you did not choose to participate in a teach-out plan approved by the Bureau or did not complete a chosen teach-out plan approved by the Bureau.</li> <li>2. You were enrolled at an institution or a location of the institution within the 120 day period before the closure of the institution or location of the institution, or were enrolled in an educational program within the 120 day period before the program was discontinued.</li> </ol>

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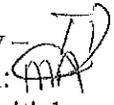
		<p>3. You were enrolled at an institution or a location of the institution more than 120 days before the closure of the institution or location of the institution, in an educational program offered by the institution as to which the Bureau determined there was a significant decline in the quality or value of the program more than 120 days before closure.</p> <p>4. The institution has been ordered to pay a refund by the Bureau but has failed to do so.</p> <p>5. The institution has failed to pay or reimburse loan proceeds under a federal student loan program as required by law, or has failed to pay or reimburse proceeds received by the institution in excess of tuition and other costs.</p> <p>6. You have been awarded restitution, a refund, or other monetary award by an arbitrator or court, based on a violation of this chapter by an institution or representative of an institution, but have been unable to collect the award from the institution.</p> <p>7. You sought legal counsel that resulted in the cancellation of one or more of your student loans and have an invoice for services rendered and evidence of the cancellation of the student loan or loans.</p> <p>To qualify for STRF reimbursement, the application must be received within four (4) years from the date of the action or event that made the student eligible for recovery from STRF. A student whose loan is revived by a loan holder or debt collector after a period of noncollection may, at any time, file a written application for recovery from STRF for the debt that would have otherwise been eligible for recovery. If it has been more than four (4) years since the action or event that made the student eligible, the student must have filed a written application for recovery within the original four (4) year period, unless the period has been extended by another act of law.</p> <p>However, no claim can be paid to any student without a social security number or a taxpayer identification number.”</p> <p><b>The STRF disclosures in the catalog are out of date.</b></p> <p><b>To remedy this violation the school shall update the STRF disclosures in its catalog.</b></p>
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**ENROLLMENT AGREEMENT MINIMUM REQUIREMENTS**

Item No.	Referenced Law	Deficiency – Requested Submission
5	5, CCR §71800(e)(12)	<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:</p> <p>(e) Itemization of all institutional charges and fees including, as applicable:</p> <p>(12) Any other institutional charge or fee.</p> <p><b>The enrollment agreement failed to include the “extra instruction charge” in its itemization of fees. Additionally, page</b></p>

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		<p>11 of the catalog indicates the hourly cost is \$10, however, the enrollment agreement has a variety of hourly extra instruction rates.</p>
		<p>To remedy this violation the school shall include the "extra instruction charge" in its itemization of charges. The school shall also assure that the hourly charges are consistent between the enrollment agreement and catalog.</p>
6	CEC §94911(d)	<p>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.</p> <p>Page 4 of the enrollment agreement states in part "I understand this agreement is not operative until I attend the first class or session of instruction....." This statement is not accurate. The enrollment agreement is legally binding when signed by the student and accepted by the institution.</p> <p>To remedy this violation the school shall remove that statement from its enrollment agreement.</p>
7	5, CCR §76215(a)	<p>(a) A qualifying institution shall include the following statement on both its enrollment agreement and school catalog:  "The State of California established the Student Tuition Recovery Fund (STRF) to relieve or mitigate economic loss suffered by a student in an educational program at a qualifying institution, who is or was a California resident while enrolled, or was enrolled in a residency program, if the student enrolled in the institution, prepaid tuition, and suffered an economic loss. Unless relieved of the obligation to do so, you must pay the state-imposed assessment for the STRF, or it must be paid on your behalf, if you are a student in an educational program, who is a California resident, or are enrolled in a residency program, and prepay all or part of your tuition. You are not eligible for protection from the STRF and you are not required to pay the STRF assessment, if you are not a California resident, or are not enrolled in a residency program."</p> <p>The enrollment agreement contains outdated STRF language.</p> <p>To remedy this violation the school shall update the STRF disclosure in its enrollment agreement.</p>
8	CEC §94916	<p>An institution extending credit or lending money to an individual for institutional and noninstitutional charges for an educational program shall cause any note, instrument, or other evidence of indebtedness taken in connection with that extension of credit or loan to be conspicuously marked on its face in at least 12-point type with the following notice:  "NOTICE"  "You may assert against the holder of the promissory note you signed in order to finance the cost of the educational program all of</p>

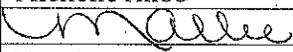
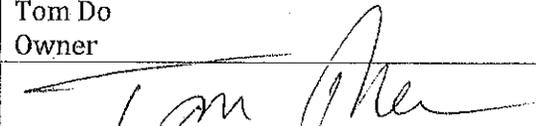
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		the claims and defenses that you could assert against this institution up to the amount you have already paid under the promissory note.”
		<b>The school failed to include the above required disclosure in its enrollment agreement.</b>
		<b>To remedy this violation the school shall include the above required disclosure exactly as written.</b>

**WEBSITE MINIMUM REQUIREMENTS**

Item No.	Referenced Law	Deficiency – Requested Submission
9	CEC §94913(a)(2)	<p>(a) An institution that maintains an Internet Web site shall provide on that Internet Web site all of the following:            (2) A School Performance Fact Sheet for each educational program offered by the institution.</p> <p><b>The school failed to post the 2015/2016 School Performance Fact Sheet for its Barbering program on the website.</b></p> <p><b>To remedy this violation the school shall post its 2015/2016 School Performance Fact Sheet on its website.</b></p>
10	CEC §94919(d)	<p>(d) Institutions shall refund 100 percent of the amount paid for institutional charges, less a reasonable deposit or application fee not to exceed two hundred fifty dollars (\$250), if notice of cancellation is made through attendance at the first class session, or the seventh day after enrollment, whichever is later.</p> <p><b>The FAQ section of the school’s website states if the student changes their mind about the program the student has five business days to cancel and receive a refund. This is in violation with the required 7-day cancellation period and also in conflict with the refund policies in the school’s catalog.</b></p> <p><b>To remedy this violation the school shall edit the response in the FAQ section to read the student may cancel seven days from signing the enrollment agreement or through attendance at the first class session whichever is later.</b></p>

**Only minor violations are listed on a Notice to Comply.**

Inspector's Name	Michelle Allee
Inspector's Signature	
Institution Administrator Name/Title:	Tom Do Owner
Institution Administrator's Signature:	

Education Code can be located at: [http://www.bppe.ca.gov/lawsregs/ppe\\_act.shtml](http://www.bppe.ca.gov/lawsregs/ppe_act.shtml)  
 Code of Regulations can be located at: <http://www.bppe.ca.gov/lawsregs/regs.shtml>

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RETURN THIS FORM WITHIN THE SPECIFIED TIME FRAME WITH EITHER: 1) VERIFICATION OF COMPLIANCE OR 2) A NOTICE OF DISAGREEMENT

### IMPORTANT COMPLIANCE NOTICE

California Education Code §94935 and California Code of Regulations §75010 provide that the Bureau for Private Postsecondary Education (Bureau) shall issue a Notice to Comply for minor violations detected during a compliance inspection by the Bureau.

By no later than 30 days from the date of the inspection, you must either: 1) Remedy the noncompliance item(s), sign the below declaration and submit this form to the Bureau, along with documentation describing how compliance was achieved; or 2) File with the Bureau a written notice of disagreement, specifying the minor violation(s) described in the Notice to Comply with which you disagree, and appealing it by requesting an informal office conference. If a written notice of disagreement is not timely filed with the Bureau, the right to appeal is deemed to have been waived.

Failure to timely remedy the noncompliance item(s) or file a written request for an informal office conference may result in the Bureau taking administrative enforcement action.

### DECLARATION

Attached to this document is a list describing how compliance was achieved for each violation and supporting documentation. I declare under penalty of perjury that all violations identified in this Notice to Comply are corrected as described in the attachment.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name and Title

THIS DECLARATION OR A NOTICE OF DISAGREEMENT MUST BE SUBMITTED TO THE BUREAU BY **September 30, 2018**

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