



**Bureau for Private Postsecondary Education**  
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**CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT**

To: San Francisco Institute of Esthetics of & Cosmetology, Inc., Owner  
San Francisco Institute of Esthetics of & Cosmetology, Inc.  
1067 Folsom, 2nd Floor  
San Francisco, CA 94103

**INSTITUTION CODE: 3806621**  
**CITATION NUMBER: 2021134**  
**CITATION ISSUANCE/SERVICE DATE: October 28, 2020**  
**DUE DATE: November 27, 2020**  
**FINE AMOUNT: \$ 6,500.00**

**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 San Francisco Institute of Esthetics of & Cosmetology, Inc., Owner of San Francisco Institute of Esthetics of & Cosmetology, Inc. (Institution) located at 1067 Folsom, 2nd Floor, San Francisco, CA 94103, 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 December 10, 2019, Bureau staff conducted an unannounced Compliance inspection at the Institution. During the inspection, Bureau staff requested the supporting documentation to substantiate the data reported on the 2016-2017 and 2017-2018 School Performance Facts Sheets (SPFS). As a result, Bureau staff reviewed the documentation provided and found material violations related to the 2017-2018 SPFS supporting documentation.

VIOLATION(S)

#	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.	<b>Violation:</b> <b>5, CCR Section 74112 (i)(2)(4)(k)(m)(3) – Uniform Data – Annual Report, Performance Fact Sheet</b> <i>“(i) Job Placement Rates</i> <i>(2) Placement is measured six months from the graduation date of each student. For programs that require passage of a licensing examination, placement shall be measured six months after the</i>

announcement of the examination results for the first examination available after a student completes an applicable educational program. Reporting of placement rates shall include for each educational program: the number of students who began the program, the number of graduates as defined in subdivision (b) section 94842 of the Code, the graduates available for employment, graduates employed in the field and job placement rate(s).

(4) Placement rate shall be calculated as follows: the number of graduates employed in the field as defined in section 94928(e)(1) of the Code in conjunction with section 74112(d)(3) divided by the number of graduates available for employment as defined in section 94928(d) of the Code."

"(k) Salary and Wage Information. All Salary and Wage Information shall be reported to the Bureau pursuant to sections 94910(d) and 94929.5(a)(3) of the Code and shall be included in the Performance Fact Sheet, for each educational program, in a format substantially similar to the chart below (dates, numbers, salaries, and other data shown are for example only)."

"(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:

(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;"

#### **CEC Section 94897 (j)(3) – Prohibited Business Practices**

"(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."

#### **CEC Section 94929.5 (a)(1)(3) – Reporting of Student Performance Data**

"(a) An institution shall annually report to the bureau, as part of the annual report, and shall publish in its School Performance Fact Sheet, all of the following:

(1) The job placement rate, calculated by dividing the number of graduates employed in the field by the number of graduates available for employment for each program that is either (1) designed, or advertised, to lead to a particular career, or (2) advertised or promoted with any claim regarding job placement.

(3) Salary and wage information, consisting of the total number of graduates employed in the field and the annual wages or salaries of those graduates stated in increments of five thousand dollars (\$5,000)."

Bureau staff reviewed the supporting documentation to substantiate the data reported on the 2017-2018 SPFS and found that the supporting documentation was missing information and/or provided misleading information.

**Violation: 5, CCR Section 74112 (i)(2)(4):** The Institution's documentation to substantiate the data reported on the 2017-2018 SPFS's failed to contain the hours worked for graduates employed in the field used to determine gainful employment. The Institution included all employed graduates in the "Graduates Employed in the Field" in the Job Placement Rates and Gainful Employment Categories without complete information to determine gainful employment.

**Violation: 5, CCR Section 74112 (k) and CEC Section 94929.5(a)(1)(3):** The Institution's documentation to substantiate the data reported on the 2017-2018 SPFS's failed to contain the hours worked for graduates employed in the field used to determine gainful employment. The institution included all employed graduates in the "Graduates Employed in the Field" in the Salary and Wage Data without complete information to determine gainful employment. The supporting data collected and provided does not substantiate the Job Placement Rates reported.

**Violation: 5, CCR Section 74112 (m)(3):** The Institution's documentation to substantiate the data reported on the 2017-2018 SPFS's does not contain the graduates' hours per week worked. The supporting documentation contained the column header for the data, however the data contained therein was either blank or stated, "Not Reported."

**Violation: CEC Section 94929.5 (a)(1)(3):** The data reported in 2017-2018 SPFS is not substantiated by the supporting data maintained. Therefore, the Institution reported untrue and misleading statements relative to the "Number of Graduates Employed in the Field."

**Violation: 5, CCR Section 74112 (i)(2)(4)(k)(m)(3), CEC Section 94897 (j)(3), and CEC Section 94929.5 (a)(1)(3):**

**2017:**

The 2017 SPFS supporting documentation identifies 12 graduates employed in the field for the Cosmetology program which meets the gainful employment definitions. The Institution reported 19 graduates employed in the field in their SPFS.

The 2017 SPFS supporting documentation identifies three graduates employed in the field for the Esthetics program which meets the gainful employment definitions. The Institution reported 9 graduates employed in the field in their SPFS.

The 2017 SPFS supporting documentation identifies no graduates employed in the field for the Barbering program which meets the gainful employment definitions. The Institution reported six graduates employed in the field in their SPFS.

**2018:**

The 2018 SPFS supporting documentation identifies one graduate employed in the field for the Cosmetology program which meets the gainful employment definitions. The Institution reported 21 graduates employed in the field in their SPFS.

The 2018 SPFS supporting documentation identifies one graduate employed in the field for the Esthetics program which meets the gainful employment definitions. The Institution reported 30 graduates employed in the field in their SPFS.

The 2018 SPFS supporting documentation identifies no graduates employed in the field for the Barbering program which meets the gainful employment definitions. The Institution reported six graduates employed in the field in their SPFS.

**Order of Abatement:**

The Bureau orders the Institution to submit a written policy, or procedure, of how future

	compliance will be maintained with 5, CCR Section 74112, CEC Section 94897, and CEC Section 94929.5.
	<b><u>Assessment of Fine</u></b> The fine for this violation is <b>\$6,500.00</b>
	<b>TOTAL ADMINISTRATIVE FINE DUE: \$6,500.00</b>

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 **\$6,500.00** 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 27, 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 28, 2020**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **November 27, 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:**

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San Francisco Institute of Esthetics of & Cosmetology, Inc, Owner of  
San Francisco Institute of Esthetics of & Cosmetology, Inc  
Institution Code: 3806621

Gabriella Perez, 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 Gabriella Perez, Citation Analyst, at (916) 574-8969 or [Gabriella.Perez@dca.ca.gov](mailto:Gabriella.Perez@dca.ca.gov).

“Original Signature on File”

“10/28/2020”

\_\_\_\_\_  
**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