



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

To: Jewelry Arts & Design College, Owner
Calstone College
2975 Wilshire Blvd, Suite 103
Los Angeles, CA 90010

INSTITUTION CODE: 1940991
CITATION NUMBER: 1920234
CITATION ISSUANCE/SERVICE DATE: February 25, 2020
DUE DATE: March 26, 2020
FINE AMOUNT: \$ 7,500.00
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 Jewelry Arts & Design College, Owner of Calstone College (Institution) located at 2975 Wilshire Blvd, Suite 103, Los Angeles, CA 90010, 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 August 27, 2019, Bureau staff conducted an unannounced compliance Inspection at the Institution. As a result of minor violations, a Notice to Comply NTC# CU 1940991 0819 was issued to the Institution. Bureau staff reviewed a previous Enforcement Referral from an inspection conducted on August 6, 2015 and determined that student files did not include signed School Performance Fact Sheets (SPFS). In addition, in 2015, the Institution stated they did not collect supporting documentation to substantiate the data reported on the SPFS, and in August 2019, the Institution was unable to provide Bureau staff with the supporting documentation on site for the 2016/2017 SPFS. In addition, the Institution was unable to provide supporting documentation to substantiate the data reported on the Student Tuition Recovery Fund (STRF) Assessment Reporting Form for the 2nd quarter of 2019.

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.	Violation: CEC Section 94902 – General Enrollment Requirements

*“(a) A student shall enroll solely by means of executing an enrollment agreement. The enrollment agreement shall be signed by the student and by an authorized employee of the institution.
(b) An enrollment agreement is not enforceable unless all of the following requirements are met:
(1) The student has received the institution’s catalog and School Performance Fact Sheet prior to signing the enrollment agreement.”*

CEC Section 94912 – Signature, Initials Required

“Prior to the execution of an enrollment agreement, the information required to be disclosed pursuant to subdivisions (a) to (d), inclusive, of Section 94910 shall be signed and dated by the institution and the student. Each of these items shall also be initialed and dated by the student.”

The Institution failed to maintain records of SPFS signed by the students. The Institution stated that their SPFS are posted on their website and do not provide students with copies to sign.

Order of Abatement:

The Bureau orders the Institution to submit a written policy of how future compliance will be maintained per CEC Sections 94902 and 94912.

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.”*

On August 6, 2015, Bureau staff requested the supporting documentation for the SPFS and the

	<p>Owner stated they did not collect that information.</p> <p><u>Order of Abatement:</u> The Bureau orders the Institution to submit a written policy of how future compliance will be maintained per 5, CCR Section 74112.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$1,000.00</u></p>
3.	<p><u>Violation:</u> 5, CCR Section 71930(e) – Maintenance of Records <i>“(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.”</i></p> <p>During the onsite inspection in August 2019, the Institution failed to provide supporting documentation to Bureau staff to substantiate the data reported on the 2016/2017 SPFS.</p> <p><u>Order of Abatement:</u> The Bureau orders the Institution to submit the supporting documentation for the data reported on the 2016/2017 SPFS.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$500.00</u></p>
4.	<p><u>Violation:</u> 5, CCR Section 76140(a)(1-13)(b) – Record-Keeping Requirements <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> <ul style="list-style-type: none"> <i>(1) Student identification number,</i> <i>(2) First and last names,</i> <i>(3) Email address,</i> <i>(4) Local or mailing address,</i> <i>(5) Address at the time of enrollment,</i> <i>(6) Home address,</i> <i>(7) Date enrollment agreement signed,</i> <i>(8) Courses and course costs,</i> <i>(9) Amount of STRF assessment collected,</i> <i>(10) Quarter in which the STRF assessment was remitted to the Bureau,</i> <i>(11) Third-party payer identifying information,</i> <i>(12) Total institutional charges charged, and</i> <i>(13) Total institutional charges paid</i> <i>(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.”</i></p> <p>The Institution failed to maintain supporting documentation to substantiate the data reported on the STRF Assessment Reporting Form for 2nd quarter of 2019. The Owner informed Bureau staff that the Institution did not know of the requirement to maintain supporting documentation for</p>

	<p style="color: red;">what is reported on the STRF forms.</p> <p><u>Order of Abatement:</u> The Bureau orders the Institution to submit a written policy of how future compliance will be maintained per 5, CCR section 76140.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$5,000.00</u></p>
TOTAL ADMINISTRATIVE FINE DUE: \$7,500.00	

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 **\$7,500.00** 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 **March 26, 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 **February 25, 2020**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **March 26, 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:

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.

“Original signature on file”

“2/25/2020”

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