



**Bureau for Private Postsecondary Education**  
1747 N. Market Blvd. Ste 225 Sacramento, CA 95834  
P.O. Box 980818, West Sacramento, CA 95798-0818  
P (916) 574-8900 F (916) 263-1897 [www.bppe.ca.gov](http://www.bppe.ca.gov)



## **CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT**

To: Employed Security Service Center, Inc., Owner  
Employed Security Service, Inc.  
3200 Spring Street, #3292  
Long Beach, CA 90806

**INSTITUTION CODE: 35079813**

**CITATION NUMBER: 2021258**

**CITATION ISSUANCE/SERVICE DATE: May 20, 2021**

**DUE DATE: June 19, 2021**

**FINE AMOUNT: \$ 5,000.00**

**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 Employed Security Service Center, Inc., Owner of Employed Security Service, Inc. (Institution) located at 3200 Spring Street, #3292, Long Beach, CA 90806 pursuant to Business and Professions Code section 125.9; California Education Code (CEC) section 94936; and Title 5 of the California Code of Regulations (5, CCR) section 75020 for the violations described below.

### BACKGROUND

In accordance with CEC section 94934 and 5, CCR section 74110 (c) and (d) an Institution shall file its annual report by December 1st of every year.

On June 25, 2020, the Bureau's Annual Report Unit (ARU) notified institutions by mail, to the addresses on record, informing them that the online portal to submit the 2019 Annual Report would be opening with a December 1, 2020 due date. In addition, on October 9, 2020, the Bureau's ARU notified the Institution by email, with a reminder of the December 1, 2020 due date. As of May 11, 2021, the Bureau has not received an annual report for the 2019 calendar year.

Furthermore, in accordance with CEC Section 94885(a)(6) and (9), and 5, CCR Section 71745(a)(6) an institution shall document that it has at all times sufficient assets and financial resources to do the following:

- 1) For an institution not participating in Title IV of the federal Higher Education Act of 1965 (hereafter Title IV), maintain a ratio of current assets<sup>1</sup> to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal year when using generally accepted accounting principles; or
- 2) For an institution participating in Title IV, meet the composite score requirements of the U.S. Department of Education.

According to the Bureau's records reviewed on or about May 11, 2021, the Institution does participate in Title IV, therefore it must meet the composite score requirements of the U.S. Department of Education.

On December 10, 2019, the Bureau received financial statements for the year ending December 31, 2018. The Institution's composite score of 0.57 demonstrates that the Institution fails to maintain a composite score of 1.50 or higher.

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.	<p><b><u>Violation:</u></b>  <b>5, CCR Section 74110 (a-d) – Annual Report</b>  <i>“(a) The annual report required by section 94934 of the Code shall include the information required by section 94929.5 and 94934 for all educational programs offered in the prior calendar year. (b) In addition to the information required by section 94934 and this section provided under penalty of perjury, the institution shall have annual financial statements prepared for the institution's prior fiscal year and signed under penalty of perjury, and shall submit a hard copy under separate cover of such statements in conjunction with its annual report. The form, content and mode of preparation of financial statements shall comply with Section 74115 of this Division. The Bureau may request that the institution immediately make available for inspection to a representative of the Bureau, these financial statements at the offices of the institution. (c) An institution shall file its annual report by December 1st. The Bureau may extend the period for filing if the institution demonstrates evidence of substantial need but in no case longer than 60 days. The institution shall not change the date of its filing its annual report because of a change in the fiscal year without the Bureau's approval. (d) The annual report shall be electronically filed by submitting the information required by section 94934 of the Code and this section via the online form provided on the Bureau's website, electronically attaching, as directed, the School Performance Fact Sheet, the enrollment agreement, and the school catalog”.</i></p> <p><b>CEC Section 94934(a)(1-9) - Annual Report</b>  <i>“(a) As part of the compliance program, an institution shall submit an annual report to the bureau, under penalty of perjury, signed by a responsible corporate officer, by July 1 of each year, or another</i></p>

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<sup>1</sup> Current assets does not include: intangible assets, including goodwill, going concern value, organization expense, startup costs, long-term prepayment of deferred charges, and non-returnable deposits, or state or federal grant or loan funds that are not the property of the institution but are held for future disbursement for the benefit of students. Unearned tuition shall be accounted for in accordance with general accepted accounting principles. 5, CCR Section 71745(a)(6)

date designated by the bureau, and it shall include the following information for educational programs offered in the reporting period:

- (1) The total number of students enrolled by level of degree or for a diploma.
- (2) The number of degrees, by level, and diplomas awarded.
- (3) The degree levels and diplomas offered.
- (4) The Student Performance Fact Sheet, as required pursuant to Section 94910.
- (5) The school catalog, as required pursuant to Section 94909.
- (6) The total charges for each educational program by period of attendance.
- (7) A statement indicating whether the institution is, or is not, current in remitting Student Tuition Recovery Fund assessments.
- (8) A statement indicating whether an accrediting agency has taken any final disciplinary action against the institution.
- (9) Additional information deemed by the bureau to be reasonably required to ascertain compliance with this chapter”.

As of May 11, 2021, the Bureau has not received an annual report for the year 2019 from the Institution.

**Order of Abatement:**

The Bureau orders the Institution to submit its annual report in accordance with 5, CCR section 74110 (a-d) and CEC section 94934(a)(1-9). The Institution shall submit the following:

**2019 Annual Report**

- Complete and submit the 2019 Annual Report via the Bureau’s Online Annual Report Submission Portal website at [https://bppe.ca.gov/annual\\_report/](https://bppe.ca.gov/annual_report/).
- A hard copy of the financial statements for year-end 2018 must be submitted via regular mail to the Bureau for Private Postsecondary Education, P.O. Box 980818, West Sacramento, CA 95833.

**Assessment of Fine**

The fine for this violation is \$5,000.00

2.

**Violation:**

**CEC Section 94885(a)(6) and (9)- Minimum Operating Standards**

*“(a) The bureau shall adopt by regulation minimum operating standards for an institution that shall reasonably ensure that all of the following occur: [...]*

*(6) The institution is financially sound and capable of fulfilling its commitments to students. [...]*

*(9) The institution is maintained and operated in compliance with this chapter and all other applicable ordinances and laws.”*

**5, CCR Section 71745(a)(6)- Financial Resources.**

*“(a) The institution shall document that it has at all times sufficient assets and financial resources to do all of the following: [...]*

*(6) Maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal year when using generally accepted accounting principles, or for an institution participating in Title IV of the federal Higher Education Act of 1965, meet the composite score requirements of the U.S. Department of Education. For the purposes of this section, current assets does not include: intangible assets, including goodwill, going concern value, organization expense, startup costs, long-term prepayment of deferred charges, and non-returnable deposits, or state or federal grant or loan funds that are not the property of the institution but are held for future disbursement for*

*the benefit of students. Unearned tuition shall be accounted for in accordance with general accepted accounting principles.”*

For the reasons stated above, the institution is in violation of these sections of law.

**Order of Abatement:**

The Bureau orders the institution to:

1. Submit a detailed plan to address its financial shortfalls and to meet the ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal year in accordance with 5, CCR section 71745(a)(6)
2. In addition, please provide an explanation of all measures to be taken by the Institution to ensure it meets future financial responsibilities.
3. Please provide the Bureau with, in electronic format:
  - a) a roster of all currently enrolled students that includes the student (1) names, (2) addresses, (3) telephone numbers, (4) email addresses, (5) program in which they are enrolled, (6) date of enrollment, (7) total cost of the program and (8) the total amount the student has paid.

**Assessment of Fine**

The fine for this violation is \$00.00

**TOTAL ADMINISTRATIVE FINE DUE: \$5,000.00**

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 **\$5,000.00** 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 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 **June 19, 2021**, 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 **May 20, 2021**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **June 19, 2021**. 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”

“5/20/2021”

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

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**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