



CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMI

To: Education Equities Fund, LLC - Hussian School of Art, Inc., Owner
Hussain College/Studio School
1201 West 5th Street
Los Angeles, CA 90017

INSTITUTION CODE: 70838872

CITATION NUMBER: 2223017

CITATION ISSUANCE/SERVICE DATE: August 31, 2022

DUE DATE: September 30, 2022

FINE AMOUNT: \$ 10,000.00

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 Education Equities Fund LLC- Hussian School of Art, Inc., Owner of Hussain College/Studio School (Institution) located at 1201 West 5th Street, Los Angeles, CA 90017, 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 November 19, 2019, the Bureau received a complaint alleging that the Institution did not provide the complainant with the advertised curriculum listed in the school catalog. On June 1, 2021, a Bureau investigation identified the Institution failed to provide evidence that the complainant was aware of and agreed to a change in curriculum.

On January 10, 2022, Bureau staff conducted an unannounced Compliance inspection at the Institution. During the inspection, Bureau staff reviewed the Institution's supporting documentation to substantiate the data reported on the 2018-2019 School Performance Fact Sheets (SPFS) and the supporting documentation to be incomplete as required in law.

Additionally, as of August 31, 2022, the Bureau has not received the 90-day late payment penalty fee for the annual fee for the 2021 calendar year. Institutions are required to pay an annual fee within 30 days of the date on which the Institution originally receives its approval to operate and each year thereafter on the anniversary of the date of the original approval. An institution shall pay its annual fee in addition to any other applicable fees. Pursuant to CEC section 94930.5 (g), effective July 1, 2018, the annual fee for each campus described in subparagraphs (A) and (B) of paragraph

(1) of subdivision (d) shall be in an amount equal to 0.55 percent of that campus' total gross revenue derived from students in California, but not to be less than two thousand five hundred dollars (\$2,500) and not to exceed sixty thousand dollars (\$60,000) for each campus.

VIOLATION

#	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>Violation: CEC Section 94897(j)(3) – Prohibited Business Practices <i>“(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.”</i></p> <p>CEC Section 94909(a)(5) – Minimum Requirements for School Catalog <i>“(a) Except as provided in subdivision (d), before enrollment, an institution shall provide a prospective student, either in writing or electronically, with a school catalog containing, at a minimum all of the following: (5) A description of the programs offered and a description of the instruction provided in each of the courses offered by the institution, the requirements for completion of each program, including required courses, any final tests or examinations, any required internships or externships, and the total number of credit hours, clock hours, or other increments required for completion.</i></p> <p><u>Violation: CEC Section 94897 (j)(3) and CEC Section 94909 (a)(5)</u></p> <p>The Institution did not provide student A.H. with the advertised curriculum listed in the required school catalog and failed to provide evidence that A.H. was made aware of, and agreed to, a change in the advertised curriculum. A.H. transcript shows 12 of the 16 courses completed are not listed in the School Catalog under the Course Catalog section for the Post-Bacc Acting Program.</p> <p>The Courses that are bolded were not listed in the School Catalog under the Course Catalog section for the Post-Bacc Acting Program:</p> <p>2018-2019: Session 1 – 01/28/2019 – 03/20/2019 ACT 515 Improvisation LAB 550 Collab Lab I</p> <p>2018-2019: March Session – 03/25/2019 – 04/19/2019 ACT 542 Studio Acting I LAB 550 Collab Lab I</p> <p>2018-2019: April Session – 04/22/2019 – 05/17/2019 ACT 543 Acting Studio II LAB 551b Collab Lab IIb</p> <p>2018-2019: May Session – 05/20/2019 – 06/14/2019 ACT 521 Filmcraft + Producing Your Own Work ACT 549 Commercial + Voiceover Acting LAB 552a Collab Lab IIIa</p>

LAB 560 Studio Production

2018-2019: June Session – 06/17/2019 – 07/19/2019

ACT 544 Acting Studio III

LAB 552b Collab Lab IIIb

2018-2019: July Session – 07/22/2019 – 08/16/2019

ACT 522 Audition Technique: Film + Television

ACT 525 The Actor’s Reel

LAB 553 Collab Lab IIII

2018-2019: August Session – 08/19/2019 – 09/15/2019

ACT 546 Professional Practice

Therefore, the Institution is in violation of making a misleading change in the school catalog.

Order of Abatement:

The Bureau orders the Institution to submit a policy, or procedure, on how the Institution will maintain future compliance with CEC sections 94897 and 94909. The policy, or procedure, should include how the Institution will ensure that all students are notified of any changes to the school catalog.

Assessment of Fine

The fine for this violation is \$5,000.00

2.

Violation:

5, CCR Section 74112 (m)(1)(2)(3)(4)(5)(6)(7)(8)(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:

(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.”

CEC Section 71930 (e) – Maintenance of Records

“(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.”

On January 10, 2022, during the Compliance inspection, the Institution provided Bureau staff with the substantiating documentation for the 2018-2019 SPFS that was being tracked on a computer. Bureau staff requested an electronic copy of the substantiating documentation for the 2018-2019 SPFS, and the documentation was compiled by the Institution and put onto a flash drive. After reviewing the supporting documentation, Bureau staff found that the information was incomplete as required data points were missing.

The SPFS supporting documentation was determined to be missing section 74112 (m)(3-9).

Order of Abatement:

The Bureau orders the Institution to submit the supporting documentation for the missing items listed above to substantiate the data reported on the 2018-2019 SPFS. In addition, the Bureau orders the Institution to submit a written policy, or procedure, of how future compliance will be maintained in accordance with 5, CCR Section 74112.

Assessment of Fine

The fine for this violation is \$5,000.00

3.

Violation:

5, CCR Section 74006(a) and (b) - Annual Fee

“(a) An institution's annual fee is due within 30 days of the date on which the institution originally receives its approval to operate and each year thereafter on the anniversary of the date of the original approval. (b) An institution shall pay its annual fee in addition to any other applicable fees.

CEC Section 94930.5 (g)- Fee Schedule

(g) Notwithstanding subdivision (d), effective July 1, 2018, the annual fee for each campus described in subparagraphs (A) and (B) of paragraph (1) of subdivision (d) shall be in an amount equal to 0.55 percent of that campus' total gross revenue derived from students in California, but not to be less than two thousand five hundred dollars (\$2,500) and not to exceed sixty thousand dollars (\$60,000) for each campus.

CEC Section 94931(b)- Late Payment

“(b) A fee that is not paid on or before the 90th calendar day after the due date for payment of the fee shall be subject to a 35 percent late payment penalty fee.

The Institution failed to pay the 90-day late payment penalty fee for calendar year 2021.

On August 2, 2021, the Institution was notified, Invoice # 900359581, via mail at 1201 West 5th Street, Suite F-10, Los Angeles, CA 90017, stating that the annual fee for calendar year 2021 was due on September 1, 2021.

On October 15, 2021, the Institution was notified, Invoice # 900361164, via mail at 1201 West 5th Street, Suite F-10, Los Angeles, CA 90017, stating that the annual fee for calendar year 2021 was due on September 1, 2021

On August 5, 2022, the Bureau received payment for the 2021 annual fee in the amount of

	<p>\$60,000.00, more than 90 days past the due date.</p> <p>As of August 31, 2022, the Bureau has not received the 90-day late payment penalty fee for the 2021 Annual fee.</p> <p><u>Order of Abatement:</u> The Bureau orders the Institution to pay its 90-day late payment penalty fees for the 2021 Annual Fee in accordance with 5, CCR Section 74006 and CEC Sections 94930.5 and 94931.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$00.00</u></p>
TOTAL ADMINISTRATIVE FINE DUE: \$10,000.00	

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 **\$10,000.00** 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(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 **September 30, 2022**, 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 **August 31, 2022**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **September 30, 2022**. 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:

Tessa Barron, 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 Tessa Barron, Citation Analyst, at (916) 574-7791 or Tessa.Barron@dca.ca.gov.

“Original Signature on File”

“8/31/2022”

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