

1 XAVIER BECERRA
Attorney General of California
2 DIANN SOKOLOFF
Supervising Deputy Attorney General
3 LILLIAN Y. TABE
Deputy Attorney General
4 State Bar No. 207338
1515 Clay Street, 20th Floor
5 P.O. Box 70550
Oakland, CA 94612-0550
6 Telephone: (510) 879-0988
Facsimile: (510) 622-2270
7 E-mail: Lillian.Tabe@doj.ca.gov
Attorneys for Complainant

8
9 **BEFORE THE**
DEPARTMENT OF CONSUMER AFFAIRS
10 **FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION**
STATE OF CALIFORNIA

11
12 In the Matter of the Statement of Issues
Against:
13 **THE COACHES TRAINING INSTITUTE,**
14 Application for Renewal of Approval to
15 Operate an Institution Non-Accredited
16 Institution No. 2101461
17 Respondent.

Case No. 1002114
STATEMENT OF ISSUES

18
19 Complainant alleges:

20 PARTIES

- 21 1. Joanne Wenzel (Complainant) brings this Statement of Issues solely in her official
22 capacity as the Chief of the Bureau for Private Postsecondary Education, Department of
23 Consumer Affairs.
24 2. On or about April 11, 2012, the Bureau for Private Postsecondary Education received
25 an Application for Renewal of Approval to Operate an Institution Non-Accredited from The
26 Coaches Training Institute (Respondent). On or about April 5, 2012, Henry Kimsey- House and
27 Karen Kimsey-House certified under penalty of perjury to the truthfulness of all statements,
28

1 answers, and representations in the application. Between May 10, 2012 and October 20, 2015,
2 the Bureau and Respondent exchanged correspondence regarding its application.

3 3. On or about October 30, 2015, the Bureau received from Respondent an updated
4 Application for Renewal of Approval to Operate an Institution Non-Accredited. On or about
5 October 22, 2015, Henry Kimsey- House and Karen Kimsey-House certified under penalty of
6 perjury to the truthfulness of all statements, answers, and representations in the updated
7 application.

8 Between January 28, 2016 and February 4, 2016, the Bureau and Respondent exchanged
9 correspondence regarding Respondent's updated application. On or about April 6, 2016, the
10 Bureau issued a deficiency letter to Respondent. On or about May 23, 2016, the Bureau received
11 a response to its April 6, 2016 letter. On or about June 1, 2016, the Bureau issued a deficiency
12 letter to Respondent. On or about June 9, 2016, the Bureau received from Respondent a response
13 to its June 1, 2016 deficiency letter.

14 4. On or about July 29, 2016, the Bureau issued Respondent a Notice of Denial of
15 Application for Renewal of Approval to Operate. On or about September 22, 2016, the Bureau
16 received a request for an administrative hearing from Respondent.

17 JURISDICTION

18 5. This Statement of Issues is brought before the Director of the Department of
19 Consumer Affairs (Director) for the Bureau for Private Postsecondary Education, under the
20 authority of the following laws. All section references are to the Education Code unless
21 otherwise indicated.

22 6. Section 94886 provides:

23 "Except as exempted in Article 4 (commencing with Section 94874) or in compliance with
24 the transition provisions in Article 2 (commencing with Section 94802), a person shall not open,
25 conduct, or do business as a private postsecondary educational institution in this state without
26 obtaining an approval to operate under this chapter."

27 ///

28 ///

1 institution but are held for future disbursement for the benefit of students. Unearned tuition shall
2 be accounted for in accordance with general accepted accounting principles.”

3 11. California Code of Regulations, title 5, section 74117 states:

4 “In addition to the requirement in Section 94913(b) of the Code, an institution that
5 maintains a website shall provide on the homepage of that website clear and conspicuous links to
6 all the items required in Section 94913(a) of the Code.”

7 FIRST CAUSE FOR DENIAL OF APPLICATION

8 (Financial Resources)

9 (Cal. Code Regs., tit. 5, § 71745, subd. (a)(6))

10 12. Respondent’s application is subject to denial because the application does not
11 demonstrate that Respondent has sufficient assets and financial resources to maintain a ratio of
12 current assets to current liabilities of 1.25 to 1.00 or greater when using generally accepted
13 accounting principles. Specifically, the financial statements Respondent offered on or about June
14 1, 2016, demonstrate that Respondent’s ratio of current assets to current liabilities is
15 approximately 0.93. (Cal. Code Regs., tit. 5, § 71745, subd. (a)(6)).

16 SECOND CAUSE FOR DENIAL OF APPLICATION

17 (Institution Website)

18 (Cal. Code Regs., tit. 5, § 74117)

19 13. Respondent’s application is subject to denial because its institution’s website fails to
20 comply with the links required by the Bureau. (Cal. Code Regs., tit. 5, § 74117.).

21 PRAYER

22 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
23 and that following the hearing, the Director of the Department of Consumer Affairs issue a
24 decision:

25 1. Denying the application of The Coaches Training Institute for Renewal of Approval
26 to Operate an Institution Non-Accredited (application number 24797); and;

27 ///


28 ///

///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

2. Taking such other and further action as deemed necessary and proper.

DATED: 6/22/17



JOANNE WENZEL
Chief
Bureau for Private Postsecondary Education
Department of Consumer Affairs
State of California
Complainant

SF2016900753
90783746.docx