



CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: DeVry University, Inc., Owner
DeVry University
2655 Camino Del Rio N, Suite 350
San Diego, CA 92108

INSTITUTION CODE: 3710591

CITATION NUMBER: 1819120

CITATION ISSUANCE/SERVICE DATE: February 20, 2019

DUE DATE: March 22, 2019

FINE AMOUNT: \$ 5100.00

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 DeVry University, Inc., Owner of DeVry University (Institution) located at 2655 Camino Del Rio N, Suite 350, San Diego, CA 92108 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

On September 27, 2018 and September 28, 2018, an unannounced Compliance inspection was conducted at the Institution. Bureau staff gave the Institution an Inspection Checklist which included a list of items the school is required to provide, including the Institution's Annual Report, School Performance Fact Sheet (SPFS), and supporting documentation for all of the documents listed.

During the inspection, the Institution was not able to provide the supporting documentation and remained outstanding during the exit interview. Bureau staff extended the due date to the end of the day. On September 28, 2018, Bureau staff received an email from the Institution stating that they are unable to provide the supporting documentation.

On October 9, 2018, the Institution contacted Bureau staff and stated that the school does have the documentation, however staff on site does not know how to access it.

In addition, all institutions are required to submit a Student Tuition Recovery Fund (STRF) Assessment Reporting Form to the Bureau no later than the last day of the month following the close of the quarter.

Pursuant to CEC section 94923(a) The Student Tuition Recovery Fund relieves or mitigates economic loss suffered by a student while enrolled in an institution not exempt from this article pursuant to Article 4 (commencing with section 94874), who, at the time of his or her enrollment, was a California resident or was enrolled in a California residency program, prepaid tuition, and suffered economic loss.

The Bureau sends notifications/reminders to all approved institutions 30 days prior to close of each quarter. As of February 19, 2019, DeVry University, Institution Code 3710591 has not submitted the STRF Assessment Reporting Forms for the 2nd and 3rd quarters of 2015, the 4th quarter of 2017, and the 2nd quarter of 2018.

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. |
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| 1. | <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>On October 9, 2018, the Institution stated that the school has the documentation, however staff on site does not know how to access it. Therefore, the Institution was not able to provide the supporting documentation to Bureau staff after multiple requests during the onsite inspection.</p> <p><u>Order of Abatement:</u></p> <p>The Bureau orders that the Institution submit a policy and procedure ensuring that the Institution has personnel available during normal business hours to access the required documentation.</p> <p><u>Assessment of Fine</u> The fine for this violation is \$50.00</p> |
| 2. | <p><u>Violation:</u> 5, CCR section 74112 (m) (1-9) – Uniform Data – Annual Report, Performance Fact Sheet <i>(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;</i> <i>(2) student name(s), address, phone number, email address, program completed, program start date, scheduled completion date, and actual completion dates;</i> <i>(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;</i> <i>(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</i></p> |

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.

The Institution was not able to provide the supporting documentation for the 2016 Annual Report and 2016 SPFS during the inspection and remained outstanding during the exit interview.

Order of Abatement:

The Bureau orders the Institution to submit the supporting documentation for the 2016 Annual Report and 2016 SPFS.

Assessment of Fine

The fine for this violation is \$5,000.00

3. **Violation:**

5, CCR Section 76130 (a-e)- Collection and Submission of Assessments

“(a) A qualifying institution shall collect the assessment from each student in an educational program at the time it collects the first payment from or on behalf of the student at or after enrollment. The assessment shall be collected for the entire period of enrollment, regardless of whether the student pays the institutional charges in increments.

(b) A qualifying institution shall complete the STRF Assessment Reporting Form (Rev. 2/10) and remit it with the STRF assessments collected from students to be received by the Bureau no later than the last day of the month following the close of the quarter as follows:

(1) April 30 for the first quarter,

(2) July 31 for the second quarter,

(3) October 31 for the third quarter, and

(4) January 31 for the fourth quarter. If the due date falls on a Saturday, Sunday or State or federal holiday, the due date shall be extended to the next regular business day for the Bureau.

If the due date falls on a Saturday, Sunday, or State or federal holiday, the due date shall be extended to the next regular business day for the Bureau.

(c) The STRF Assessment Reporting Form shall contain the following information:

(1) Total number of students who signed enrollment agreements for educational programs during the reporting period; and

(2) Total number of students eligible for STRF who signed enrollment agreements for educational programs during the reporting period; and

(3) The total number of students who signed their enrollment agreement during the reporting period,

- were eligible for STRF, and who made their first payment during the reporting period; and
- (4) The total number of students who signed their enrollment agreement in a previous reporting period, were eligible for STRF, and who made their first payment during the current reporting period; and
- (5) Total amount of institutional charges after rounding each student's institutional charges to the nearest \$1,000, for all eligible STRF students whose STRF assessment was collected in the reporting period; and
- (6) Current contact telephone number of the person preparing the form; and
- (7) A declaration dated and signed under penalty of perjury by the person preparing the form that the form and any attachments are true and correct.
- (d) In the event of a school closure, any collected assessments shall be remitted to the Bureau within seven days following the cessation of instruction.
- (e) Submission of all prior reports and assessments required by this section is a condition of renewal."

The Institution has failed to submit the STRF Assessment Reporting Forms for the following quarters: 2nd and 3rd quarters of 2015; 4th quarter of 2017; and, 2nd quarter of 2018.

On July 1, 2015, the Institution was notified via mail at 1200 East Diehl Road, Naperville, IL 60563, that the STRF Assessment Reporting Form for the 2nd quarter of 2015 was due. As of February 19, 2019, the Bureau has not received the STRF Assessment Reporting Form from the Institution.

On October 1, 2015, the Institution was notified via mail at 1200 East Diehl Road, Naperville, IL 60563, that the STRF Assessment Reporting Form for the 3rd quarter of 2015 was due. As of February 19, 2019, the Bureau has not received the STRF Assessment Reporting Form from the Institution.

On January 1, 2018, the Institution was notified via mail at 1200 East Diehl Road, Naperville, IL 60563, that the STRF Assessment Reporting Form for the 4th quarter of 2017 was due. As of February 19, 2019, the Bureau has not received the STRF Assessment Reporting Form from the Institution.

On June 1, 2018, the Institution was notified via mail at 1200 East Diehl Road, Naperville, IL 60563, that the STRF Assessment Reporting Form for the 2nd quarter of 2018 was due. As of February 19, 2019, the Bureau has not received the STRF Assessment Reporting Form from the Institution.

Order of Abatement:

The Bureau orders that the Institution submit the delinquent STRF Assessment Reporting Forms with the STRF Assessments collected from students for the quarters listed above. The Institution shall also submit the student information to substantiate the data reported on the STRF Assessment Reporting Forms. The information provided shall comply with "Record Keeping Requirements" Pursuant to 5, CCR section 76140.

The fine for this violation is \$50.00

TOTAL ADMINISTRATIVE FINE DUE: \$5,100.00

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 **\$5,100.00** 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 **March 22, 2019**, 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 20, 2019**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **March 22, 2019**. 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:

Cheryl Lardizabal, Discipline Citation Program
Bureau for Private Postsecondary Education
2535 Capitol Oaks Drive, Suite 400
Sacramento, CA 95833

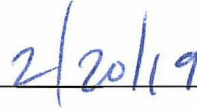
Failure for an applicant or institution to abate the violation(s) listed above or to pay the administrative fine within the time allowed may result in denial of an application for an approval or renewal to operate; disciplinary action, and/or collection action. The Bureau will promptly take all appropriate 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 Cheryl Lardizabal, Citation Analyst, at (916) 621-2591 or Cheryl.Lardizabal@dca.ca.gov.



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