

BEFORE THE DIRECTOR
DEPARTMENT OF CONSUMER AFFAIRS
BUREAU FOR PRIVATE POSTSECONDARY EDUCATION
STATE OF CALIFORNIA

In the Matter of the Accusation Against:

SOUTH BAY MASSAGE COLLEGE, KEVIN DOBALIAN, OWNER

120-B South Sepulveda Boulevard

Manhattan Beach, CA 90266

Case No. BPPE21-384

Institution Code No. 1936381

DECISION AND ORDER

The attached Stipulated Surrender of Approval to Operate and Order is hereby accepted and adopted by the Director of the Department of Consumer Affairs as the Decision in the above-entitled matter.

The Decision shall become effective on February 9, 2023.

It is so ORDERED February 5, 2023.

"Original Signature on File"

RYAN MARCROFT

DEPUTY DIRECTOR, LEGAL AFFAIRS DIVISION

DEPARTMENT OF CONSUMER AFFAIRS

1 ROB BONTA
Attorney General of California
2 THOMAS L. RINALDI
Supervising Deputy Attorney General
3 HEATHER VO
Deputy Attorney General
4 State Bar No. 223418
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Attorneys for Complainant
7

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

12 In the Matter of the Accusation Against:

13 **SOUTH BAY MASSAGE COLLEGE,**
14 **KEVIN DOBALIAN, Owner**
15 **120-B South Sepulveda Boulevard**
16 **Manhattan Beach, CA 90266**

17 **Mailing Address:**
18 **120 South Sepulveda Boulevard, Suite B**
19 **Manhattan Beach, CA 90266**

20 **Approval to Operate Institution Code**
21 **Number 1936381**

22 Respondent.

Case No. BPPE21-384

OAH Case No. 2022080726

23 **STIPULATED SURRENDER OF**
24 **APPROVAL TO OPERATE AND**
25 **ORDER**

26 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-
27 entitled proceedings that the following matters are true:

28 **PARTIES**

1. Deborah Cochrane (Complainant) is the Chief of the Bureau for Private
Postsecondary Education (Bureau), Department of Consumer Affairs. She brought this action
solely in her official capacity and is represented in this matter by Rob Bonta, Attorney General of
the State of California, by Heather Vo, Deputy Attorney General.

1 **CULPABILITY**

2 8. With respect to causes for discipline 3, and 5 through 12 in Accusation Case No.
3 BPPE21-384, Respondent agrees that cause may exist for discipline and hereby voluntarily
4 surrenders his Approval to Operate Institution Code Number 1936381 for the Bureau's formal
5 acceptance.

6 9. Furthermore, Respondent understands and agrees that the charges and allegations in
7 causes for discipline 1, 2, and 4 in Accusation Case No. BPPE21-384, if presented at a hearing,
8 may constitute cause for imposing discipline and hereby voluntarily surrenders his Approval to
9 Operate Institution Code Number 1936381 for the Bureau's formal acceptance. For the purpose
10 of resolving the Accusation without the expense and uncertainty of further proceedings,
11 Respondent agrees that, at a hearing, Complainant might be able to establish a factual basis for
12 the charges in the Accusation, and that Respondent hereby gives up his right to contest those
13 charges.

14 10. Respondent understands that by signing this stipulation he enables the Director to
15 issue the order accepting the surrender of his Approval to Operate Institution Code Number
16 1936381 without further process.

17 **CONTINGENCY**

18 11. This stipulation shall be subject to approval by the Director or the Director's designee.
19 Respondent understands and agrees that counsel for Complainant and the staff of the Bureau for
20 Private Postsecondary Education may communicate directly with the Director and staff regarding
21 this stipulation and surrender, without notice to or participation by Respondent or his counsel. By
22 signing the stipulation, Respondent understands and agrees that he may not withdraw his
23 agreement or seek to rescind the stipulation prior to the time the Director considers and acts upon
24 it. If the Director fails to adopt this stipulation as the Decision and Order, the Stipulated
25 Surrender and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall
26 be inadmissible in any legal action between the parties, and the Director shall not be disqualified
27 from further action by having considered this matter.

28

1 4. Respondent shall comply with California Education Code section 94927.5, including
2 providing the Bureau with all records in a readable electronic format.

3 5. Respondent shall pay the agency its costs of investigation and enforcement in the
4 amount of \$17,804.83 prior to issuance of a new Approval to Operate.

5 **ACCEPTANCE**

6 I have carefully read the above Stipulated Surrender of Approval to Operate and Order and
7 have fully discussed it with my attorney. I understand the stipulation and the effect it will have
8 on my Approval to Operate an Institution. I enter into this Stipulated Surrender of Approval to
9 Operate and Order voluntarily, knowingly, and intelligently, and agree to be bound by the
10 Decision and Order of the Director of the Department of Consumer Affairs.

11
12 DATED: _____

1/6/23



13 **SOUTH BAY MASSAGE COLLEGE**
14 **KEVIN DOBALIAN, Sole Owner**
Respondent

15
16 I have read and fully discussed with Respondent the terms and conditions and other matters
17 contained in this Stipulated Surrender of Approval to Operate and Order. I approve its form and
18 content.

19
20 DATED: _____

1/6/23



21 **ROBERT F. HAHN, Esq.**
Attorney for Respondent

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ENDORSEMENT

The foregoing Stipulated Surrender of Approval to Operate and Order is hereby respectfully submitted for consideration by the Director of the Department of Consumer Affairs.

DATED: January 10, 2023

Respectfully submitted,

ROB BONTA
Attorney General of California
THOMAS L. RINALDI
Supervising Deputy Attorney General

Heather Vo

HEATHER VO
Deputy Attorney General
Attorneys for Complainant

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Exhibit A

Accusation Case No. BPPE21-384

1 ROB BONTA
Attorney General of California
2 THOMAS L. RINALDI
Supervising Deputy Attorney General
3 HEATHER VO
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8 **BEFORE THE**
9 **DEPARTMENT OF CONSUMER AFFAIRS**
10 **FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION**
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. BPPE21-384

13 **SOUTH BAY MASSAGE COLLEGE,**
14 **KEVIN DOBALIAN, Owner**
15 **120-B South Sepulveda Boulevard**
16 **Manhattan Beach, CA 90266**

ACCUSATION

17 **Mailing Address:**
18 **120 South Sepulveda Boulevard, Suite B**
19 **Manhattan Beach, CA 90266**

20 **Approval to Operate Institution Code**
21 **Number 1936381**

Respondent.

22 **PARTIES**

23 1. Deborah Cochrane (Complainant) brings this Accusation solely in her official
24 capacity as the Chief of the Bureau for Private Postsecondary Education (“Bureau”), Department
25 of Consumer Affairs.

26 2. On or about February 27, 1998, the Bureau issued an Approval to Operate an
27 Institution Code Number 1936381 to South Bay Massage College with Kevin Dobalian, as sole
28 owner (“Respondent”). The Approval to Operate was in full force and effect at all times relevant
to the charges brought herein and will expire on February 27, 2024, unless renewed.

JURISDICTION

3. This Accusation is brought before the Director of the Department of Consumer Affairs ("Director") for the Bureau, under the authority of the following laws. All section references are to the Education Code unless otherwise indicated.

4. Section 118, subdivision (b) of the Business and Professions Code provides that the suspension, expiration, surrender, cancellation of a license shall not deprive the Director of jurisdiction to proceed with a disciplinary action during the period within which the license may be renewed, restored, reissued or reinstated.

5. Section 94933 of the Code states:

"The bureau shall provide an institution with the opportunity to remedy noncompliance, impose fines, place the institution on probation, or suspend or revoke the institution's approval to operate, in accordance with this article, as it deems appropriate based on the severity of an institution's violations of this chapter, and the harm caused to students."

6. Section 94937 of the Code states, in pertinent part:

“(a) As a consequence of an investigation, which may incorporate any materials obtained or produced in connection with a compliance inspection, and upon a finding that an institution has committed a violation, the bureau may place an institution on probation or may suspend or revoke an institution’s approval to operate for:

....

“(2) A material violation or repeated violations of this chapter or regulations adopted pursuant to this chapter that have resulted, or may result, in harm to students. For purposes of this paragraph, “material violation” includes, but is not limited to, misrepresentation, fraud in the inducement of a contract, and false or misleading claims or advertising, upon which a student reasonably relied in executing an enrollment agreement and that resulted, or may result, in harm to the student.”

....

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1 7. California Code of Regulations, title 5, section 75100:

2 "(a) The Bureau may suspend, revoke or place on probation with terms and conditions an
3 approval to operate.

4 "(b) 'Material violation' as used in section 94937 of the Code includes committing any act
5 that would be grounds for denial under section 480 of the Business and Professions Code.

6 "(c) The proceedings under this section shall be conducted in accordance with Article 10
7 (commencing with Section 11445.10) of Chapter 4.5 or Chapter 5 (commencing with Section
8 11500) of Part 1 of Division 3 of Title 2 of the Government Code, as requested by the institution."

9 8. California Code of Regulations, title 5, section 75150 states, in pertinent part:

10

11 “(d) To the extent practicable and to the extent that prior notice will not increase the
12 likelihood of immediate danger to the public health, safety, or welfare, the Bureau shall, not less
13 than 48-hours prior to the effective date of the emergency decision, give notice of an emergency
14 decision to a person listed in section 71130(a) or 71135. Such notice may be given personally, by
15 telephone, email, fax, or mail, and shall inform the person of the emergency decision and its
16 effective date; the manner in which the person may request an opportunity to be heard before the
17 Director, or his or her designee, prior to the effective date of the emergency decision; the right to
18 judicial review of the decision; and the process by which the decision may be resolved pursuant
19 to section 75100(c) and section 11460.60 of the Government Code.”

20

21 9. Section 11460.50 of the Government Code states:

22 “(a) The agency shall issue an emergency decision, including a brief explanation of the
23 factual and legal basis and reasons for the emergency decision, to justify the determination of an
24 immediate danger and the agency’s emergency decision to take the specific action.

25 “(b) The agency shall give notice to the extent practicable to the person to which the agency
26 action is directed. The emergency decision is effective when issued or as provided in the
27 decision.”

28 ///

STATUTORY PROVISIONS

10. Section 94885 of the Code states, in pertinent part:

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

....

(5) The directors, administrators, and faculty are properly qualified.

....

11. Section 94893 of the Code states:

“If an institution intends to make a substantive change to its approval to operate, the institution shall receive prior authorization from the bureau. Except as provided in subdivision (a) of Section 94896, if the institution makes the substantive change without prior bureau authorization, the institution’s approval to operate may be suspended or revoked.”

12. Section 94894 of the Code states, in pertinent part:

"The following changes to an approval to operate are considered substantive changes and require prior authorization:

....

"(g) A significant change in the method of instructional delivery."

....

13. Section 94897 of the Code states, in pertinent part:

"An institution shall not do any of the following:

....

"(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:

"(1) A financial report filed with the bureau.

"(2) Information or records relating to the student's eligibility for student financial aid at the institution.

1 "(3) Any other record or document required by this chapter or by the bureau."

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3 14. Section 94902 of the Code states, in pertinent part:

4

5 "(b) An enrollment agreement is not enforceable unless all of the following requirements
6 are met:

7 "(1) The student has received the institution's catalog and School Performance Fact
8 Sheet prior to signing the enrollment agreement."

9

10 "(c) A student shall receive a copy of the signed enrollment agreement, in writing or
11 electronically, regardless of whether total charges are paid by the student."

12 15. Section 94906 of the Code states:

13 "(a) An enrollment agreement shall be written in language that is easily understood. If
14 English is not the student's primary language, and the student is unable to understand the terms
15 and conditions of the enrollment agreement, the student shall have the right to obtain a clear
16 explanation of the terms and conditions and all cancellation and refund policies in his or her
17 primary language.

18 "(b) If the recruitment leading to enrollment was conducted in a language other than
19 English, the enrollment agreement, disclosures, and statements shall be in that language."

20 16. Section 94910 of the Code states:

21 "Except as provided in subdivision (d) of Section 94909 and Section 94910.5, prior to
22 enrollment, an institution shall provide a prospective student with a School Performance Fact
23 Sheet containing, at a minimum, the following information, as it relates to the educational
24 program:

25

26 "(b) Placement rates, as calculated pursuant to Article 16 (commencing with Section
27 94928), if the educational program is designed to lead to, or the institution makes any express or
28

1 implied claim related to preparing students for, a recognized career, occupation, vocation, job, or
2 job title.

3

4 "(d) Salary or wage information, as calculated pursuant to Article 16 (commencing with
5 Section 94928)."

6

7 **REGULATORY PROVISIONS**

8 17. California Code of Regulations, title 5, section 71230 states:

9 "If the institution offers an educational program, or a portion of it, in a language other than
10 English, the Form Application 94886 shall contain a description of all of the following for each
11 educational program or portion thereof.

12 "(a) The language in which each educational program will be offered.

13 "(b) A statement that the institution has contracted with sufficient duly qualified faculty
14 who will teach each language group of students.

15 "(c) The language of the textbooks and other written materials to be used by each language
16 group of students."

17 18. California Code of Regulations, title 5, section 71600 states, in pertinent part:

18 "(a) An institution seeking to make a significant change in its method of instructional
19 delivery shall complete the "Significant Change in Method of Instructional Delivery" form (INS
20 rev. 2/10) to obtain prior authorization. For the purposes of this section a "significant change in
21 instructional delivery" is any change that alters the way students interact with faculty or access
22 significant equipment. The form shall be submitted to the Bureau along with the appropriate fee
23 as provided in Section 94930.5(c) of the Code. For an institution approved under section 94885 of
24 the Code, it shall be signed and dated by the signatory(ies) required by section 71380, and for an
25 institution approved under section 94890 of the Code, it shall be signed and dated by the
26 signatory(ies) required by section 71390, and each fact stated therein and each attachment thereto
27 shall be declared to be true under penalty of perjury, in the following form:
28

1 "I declare under penalty of perjury under the laws of the State of California that the
2 foregoing and all attachments are true and correct."

3 _____	_____
4 (Date)	(Signature)

5

6 19. California Code of Regulations, title 5, section 71650 states, in pertinent part:

7 "(a) An institution seeking to change its educational objectives shall complete the "Change
8 in Educational Objectives" form (OBJ rev. 2/10) to obtain prior authorization. The form shall be
9 submitted to the Bureau along with the appropriate fee as provided in Section 94930.5(c) of the
10 Code. For an institution approved under section 94885 of the Code it shall be signed and dated by
11 the signatory(ies) required by section 71380, and for an instituon [sic] approved under section
12 94890 of the Code it shall be signed and dated by the signatory(ies) required by section 71390,
13 and each fact stated therein and each attachment thereto shall be declared to be true under penalty
14 of perjury, in the following form:

15 "I declare under penalty of perjury under the laws of the State of California that the
16 foregoing and all attachments are true and correct."

17 _____
(Date)

18 _____
(Signature)

19

20 20. California Code of Regulations, title 5, section 71715 states, in pertinent part:

21

22 "(c) Direct instruction requires the physical presence of one or more students and one or
23 more faculty members at the same location. Direct instruction includes instruction presented in a
24 classroom, seminar, workshop, lecture, colloquium, laboratory, tutorial, or other physical learning
25 settings consistent with the mission, purposes, and objectives of the institution."

26

27 ///

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1 21. California Code of Regulations, title 5, section 71720 states, in pertinent part:

2

3 "(b) Instructors in an Educational Program Not Leading to a Degree.

4 "(2) Each instructor shall maintain their knowledge by completing continuing
5 education courses in his or her subject area, classroom management or other courses related
6 to teaching."

7

8 22. California Code of Regulations, title 5, section 71730 states, in pertinent part:

9

10 "(f) The institution shall employ administrative personnel who have the expertise to ensure
11 the achievement of the institution's mission and objectives and the operation of the educational
12 programs."

13

14 23. California Code of Regulations, title 5, section 71920 states, in pertinent part:

15

16 "(b) In addition to the requirements of section 94900, the file shall contain all of the
17 following pertinent student records:

18

19 "(10) A document specifying the amount of a refund, including the amount refunded
20 for tuition and the amount for other itemized charges, the method of calculating the refund, the
21 date the refund was made, and the name and address of the person or entity to which the refund
22 was sent;"

23

24 24. California Code of Regulations, title 5, section 71930 states, in pertinent part:

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26 "(c) A record is considered current for three years following a student's completion or
27 withdrawal. A record may be stored on microfilm, microfiche, computer disk, or any other
28 method of record storage only if all of the following apply:

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“(3) The institution has personnel scheduled to be present at all times during normal business hours who know how to operate the devices and can explain the operation of the devices to any person authorized by the Act to inspect and copy records;[.]”

25. California Code of Regulations, title 5, section 74112 states, in pertinent part:

“(a) Format. The format for the Performance Fact Sheet shall be in at least 12 pt. type, in an easily readable font, with 1.15 line spacing and all titles and column headings shall be in bold 14 pt. type, which shall also identify the program for which the Performance Fact Sheet pertains. The Performance Fact Sheet shall contain all and only the information required or specifically permitted by sections 94910 and 94929.5 of the Code or this chapter. A separate Performance Fact Sheet shall be prepared for each program.”

“(b) An institution offering educational programs that are too new to provide the required two years of data shall include the date the program began as well as the statement required by section 94910(e) of the Code. The Performance Fact Sheet shall also disclose the estimated date of availability for two full years of data for those programs.”

....

“(e) Reporting periods:

....

“(2) A Performance Fact Sheet shall be current and available not later than December 1st, and shall report data for the previous two calendar years based upon the “number of students who began the program,” as defined in subdivision (d)(1) of this section and were scheduled to graduate in the reported year(s).

....

“(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; the data for each program shall include at a minimum:

1 Complainant refers to, and by this reference incorporates, the allegations set forth above in
2 paragraphs 29-34, as though set forth fully herein.

3 **SECOND CAUSE FOR DISCIPLINE**

4 **(Violation of Requirements to Provide Documents in Students' Primary Language)**

5 38. Respondent is subject to disciplinary action under Code sections 94906, subdivisions
6 (a) and (b) and 94937, subdivision (a)(2) and California Code of Regulations, title 5, section
7 75100, as follows:

8 (a) Respondent violated Code section 94906, subdivision (a) in that student files that the
9 investigator examined revealed that enrollment agreements were completed in English when the
10 students had very limited or no English vocabulary skills and their primary language was
11 determined to be Chinese. There was no evidence that the students had been provided a clear
12 explanation of the terms and conditions of the enrollment agreements, cancellation and refund
13 policies in their primary language.

14 (b) Respondent violated Code section 94906, subdivision (b) in that Respondent recruited
15 students by speaking to them in Chinese; hence the enrollment agreements, disclosures, and other
16 statements should have been in Chinese. The student files that the investigator examined revealed
17 that the enrollment agreements, disclosures, and statements were in fact provided in English.

18 Complainant refers to, and by this reference incorporates, the allegations set forth above in
19 paragraphs 29-34, as though set forth fully herein.

20 **THIRD CAUSE FOR DISCIPLINE**

21 **(Violation of General Enrollment Requirements)**

22 39. Respondent is subject to disciplinary action under Code sections 94902, subdivisions
23 (b)(1) and (c) and 94937, subdivision (a)(2) and California Code of Regulations, title 5, section
24 75100, as follows:

25 (a) Respondent violated Code section 94902, subdivision (b)(1) in that student files that
26 the investigator examined revealed that students did not receive a current school catalog or a
27 current Student Performance Fact Sheet prior to signing the enrollment agreement.

28 ///

1 (b) Respondent violated Code section 94902, subdivision (c) in that students did not
2 receive a copy of their signed enrollment agreement. Complainant refers to, and by this reference
3 incorporates, the allegations set forth above in paragraphs 29-34, as though set forth fully herein.

4 **FOURTH CAUSE FOR DISCIPLINE**

5 **(Engaging in Prohibited Business Practices)**

6 40. Respondent is subject to disciplinary action under Code sections 94897, subdivision
7 (j) and 94937, subdivision (a)(2) and California Code of Regulations, title 5, section 75100, in
8 that Respondent made untrue and misleading statements to students. The circumstances are as
9 follows:

10 41. Respondent informed students that they could attend 3 hours of class, but obtain 8
11 hours of class credit, which resulted in multiple students receiving school certificates without
12 completing the required 500 hours.

13 42. Respondent made false promises and misrepresentations to students that they would
14 receive certificates from the California Massage Therapy Counsel after they completed the
15 school's 500-hour program. In fact, multiple students applied for certification with the California
16 Massage Therapy Counsel and were denied. Complainant refers to, and by this reference
17 incorporates, the allegations set forth above in paragraphs 29-34, as though set forth fully herein.

18 **FIFTH CAUSE FOR DISCIPLINE**

19 **(Violation of Administration Requirements)**

20 43. Respondent is subject to disciplinary action under Code sections 94885, subdivision
21 (a)(5) and 94937, subdivision (a)(2) and California Code of Regulations, title 5, sections 75100
22 and 71730, subdivision (f), in that Respondent failed to employ administrative personnel who
23 have the expertise to ensure the achievement of Respondent's mission and objectives and the
24 operation of the educational programs. Mr. Dobalian is the sole owner and the only individual
25 designated over all operations of South Bay Massage College. However, during the course of the
26 investigation, the investigator observed that Mr. Dobalian was unintelligible in telephone
27 conversations. It was discovered that Mr. Dobalian was hospitalized for long periods of time over
28 the past several years with no one with expertise or knowledge managing the operations of the

1 school in his absence. In an announced site visit in February, 2022, the investigator noted that
2 Mr. Dobalian appeared unkempt and was inarticulate. As a result, there is no person competent to
3 manage the operations of the school. Complainant refers to, and by this reference incorporates,
4 the allegations set forth above in paragraphs 29-34, as though set forth fully herein.

5 **SIXTH CAUSE FOR DISCIPLINE**

6 **(Violation of Maintenance of Records)**

7 44. Respondent is subject to disciplinary action under Code section 94937, subdivision
8 (a)(2) and California Code of Regulations, title 5, sections 75100 and 71930, subdivision (c)(3),
9 for failing to have personnel scheduled to be present at all times during normal business hours
10 who know how to operate the devices on which records were stored and can explain the operation
11 of the devices to Bureau investigators. During the course of the investigation, it was discovered
12 that personnel were not consistently present to manage the operations at South Bay Massage
13 College during normal business hours. Complainant refers to, and by this reference incorporates,
14 the allegations set forth above in paragraphs 29-34, as though set forth fully herein.

15 **SEVENTH CAUSE FOR DISCIPLINE**

16 **(Violation of Faculty Requirements)**

17 45. Respondent is subject to disciplinary action under Code section 94937, subdivision
18 (a)(2) and California Code of Regulations, title 5, sections 75100 and 71720, subdivision (b)(2),
19 for failing to ensure that its instructors completed continuing education courses. The
20 investigator's examination of the instructor files revealed that there was no documentation
21 showing completion of continuing education courses relating to four instructors who taught at the
22 school. Complainant refers to, and by this reference incorporates, the allegations set forth above
23 in paragraphs 29-34, as though set forth fully herein.

24 **EIGHTH CAUSE FOR DISCIPLINE**

25 **(Violation of Instruction Requirements)**

26 46. Respondent is subject to disciplinary action under Code section 94937, subdivision
27 (a)(2) and California Code of Regulations, title 5, sections 75100 and 71715, subdivision (c), for
28 failing to have one or more faculty members present at the same location with one or more

1 students. Respondent's 500-hour Massage Therapy program includes a 75-hour internship that
2 was located off campus at Respondent's business called Coastline Spa and Chiropractic. All
3 students who attended the internship stated that there were no instructors or supervision at the
4 internship. Complainant refers to, and by this reference incorporates, the allegations set forth
5 above in paragraphs 29-34, as though set forth fully herein.

6 **NINTH CAUSE FOR DISCIPLINE**

7 **(Violation of Record Keeping Requirements)**

8 47. Respondent is subject to disciplinary action under Code section 94937, subdivision
9 (a)(2) and California Code of Regulations, title 5, sections 75100 and 76140, subdivisions (a) and
10 (b) for failing to maintain electronic records to substantiate the information reported on its
11 Quarterly Student Tuition Recovery Fund Assessment Reporting Form for the 2nd and 3rd quarters
12 of 2021. Complainant refers to, and by this reference incorporates, the allegations set forth above
13 in paragraphs 29-34, as though set forth fully herein.

14 **TENTH CAUSE FOR DISCIPLINE**

15 **(Violation of School Performance Fact Sheet Requirements)**

16 48. Respondent is subject to disciplinary action under Code sections 94910, subdivisions
17 (b) and (d) and 94937, subdivision (a)(2) and California Code of Regulations, title 5, section
18 75100, as follows:

19 (a) Respondent violated Code section 94910, subdivision (b) in that prospective students
20 were not provided with placement rates for each of Respondent's approved educational programs
21 designed to lead to an occupation.

22 (b) Respondent violated Code section 94910, subdivision (d) in that prospective students
23 were not provided with salary and wage information. Complainant refers to, and by this reference
24 incorporates, the allegations set forth above in paragraphs 29-34, as though set forth fully herein.

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1 **ELEVENTH CAUSE FOR DISCIPLINE**

2 **(Violation of Annual Report and Performance Fact Sheet Requirements)**

3 49. Respondent is subject to disciplinary action under Code section 94937, subdivision
4 (a)(2) and California Code of Regulations, title 5, section 75100 and 74112, subdivisions (a), (b),
5 (e)(2), and (m)(2), as follows:

6 (a) Respondent violated California Code of Regulations, title 5, section 74112,
7 subdivisions (a) and (b) in that electronic records were not maintained to substantiate the
8 information reported on its Quarterly Student Tuition Recovery Fund Assessment Reporting
9 Form for the 2nd and 3rd quarters of 2021.

10 (b) Respondent violated California Code of Regulations, title 5, section 74112,
11 subdivision (e)(2) in that School Performance Fact Sheets were not maintained for the past two
12 calendar years.

13 (c) Respondent violated California Code of Regulations, title 5, section 74112,
14 subdivision (m)(2) in that School Performance Fact Sheet back-up data did not include the
15 students' scheduled completion dates. Complainant refers to, and by this reference incorporates,
16 the allegations set forth above in paragraphs 29-34, as though set forth fully herein.

17 **TWELFTH CAUSE FOR DISCIPLINE**

18 **(Violation of Student Records Requirements)**

19 50. Respondent is subject to disciplinary action under Code section 94937, subdivision
20 (a)(2) and California Code of Regulations, title 5, sections 75100 and 71920, subdivision (b)(10)
21 in that student files did not have documentation that students were provided refunds after they had
22 withdrawn from the school. Complainant refers to, and by this reference incorporates, the
23 allegations set forth above in paragraphs 29-34, as though set forth fully herein.

24 **PRAYER**

25 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
26 and that following the hearing, the Director of the Department of Consumer Affairs issue a
27 decision:
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1. Revoking or suspending the Approval to Operate Institution Code Number 1936381, issued to South Bay Massage College with Kevin Dobalian as owner;
2. Ordering South Bay Massage College and Kevin Dobalian to pay the Bureau for Private Postsecondary Education the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3; and,
3. Taking such other and further action as deemed necessary and proper.

DATED: 7/7/22

Original Signature on File
DEBORAH COCHRANE
Chief
Bureau for Private Postsecondary
Education
Department of Consumer Affairs
State of California
Complainant

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