



Bureau for Private Postsecondary Education
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CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: California Institute of Science and Technology, Inc., Owner
California Institute of Science and Technology dba South Bay Job Institute
25835 Narbonne Ave., Suite 280
Lomita, CA 90717

INSTITUTION CODE: 82931970
CITATION NUMBER: 2021187
CITATION ISSUANCE/SERVICE DATE: February 11, 2021
DUE DATE: March 13, 2021
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 California Institute of Science and Technology, Inc, Owner of California Institute of Science and Technology dba South Bay Job Institute (Institution) located at 25835 Narbonne Ave., Suite 280, Lomita, CA 90717, 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 August 26, 2020, the Bureau issued Citation Number 2021059 to the institution for failing to submit Student Tuition Recovery Fund (STRF) Assessment Reporting Form and annual fee for calendar year 2020. This citation remains outstanding.

In addition, in accordance with CEC Section 94926 and 5, CCR Section 76240(a), an institution shall notify the Bureau in writing of its intention to close, at least 30 days prior to closing. The Bureau's Closed School's Unit verified that the Institution did not submit a closure reporting form to the Bureau and failed to provide the required 30-day advanced notice of school closure.

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.	Violations CEC Section 94926 (a)(b)(c)(d) - Procedures Prior to Closing, Teach-Out Plans <i>"At least 30 days prior to closing, the institution shall notify the bureau in writing of its intention to</i>

close. The notice shall be accompanied by a closure plan, which shall include, but not necessarily be limited to, all of the following:

(a) A plan for providing teach-outs of educational programs, including any agreements with any other postsecondary educational institutions to provide teach-outs.

(b) If no teach-out plan is contemplated, or for students who do not wish to participate in a teach-out, arrangements for making refunds within 45 days from the date of closure, or for institutions that participate in federal student financial aid programs arrangements for making refunds and returning federal student financial aid program funds.

(c) If the institution is a participant in federal student financial aid programs, it shall provide students information concerning these programs and institutional closures.

(d) A plan for the disposition of student records.”

5, CCR Section 76240 (a)(1)(2)(3)(4)(A)(B)(5)(6)(b)(1)(2) - Required Notices and Teach-Out Plan

“All institutions, including those exempt from Bureau regulation pursuant to the Code, shall do the following prior to closing

(a) At least 30 days prior to closing, the institution shall notify the Bureau in writing of its intention to close and provide a closure plan. The closure plan shall include:

(1) The exact date and reason for the closure.

(2) The last date of instruction for each educational service or program.

(3) A list of students who were enrolled at any time during the 60 days prior to closure.

(4) If any student will not be provided complete educational services or the educational program, the institution shall provide:

(A) A plan for providing teach-outs or transfers, including the details of any agreements with other institutions.

(B) If no teach-out is contemplated, or for students who do not wish to participate in a teach-out, arrangements for making refunds within 45 days from the date of closure, or for institutions that participate in federal student financial aid programs arrangements for making refunds and returning federal student financial aid program funds.

(5) A plan for the disposition of student records.

(6) A plan to notify students of their rights and options under the Act and this chapter.

(b) The institution shall notify the students of the following:

(1) If the institution is a participant in federal student financial aid programs, it shall provide students information concerning those programs and institutional closures.

(2) If any student will not be provided complete educational services or the educational program, information regarding the Student Tuition Recovery Fund and the Bureau's physical and Internet addresses.”

On September 15, 2020, the Institution informed the Bureau via email of the Institution’s intent to close; however, the Institution failed to include a closure plan and specific date of closure. In addition, the Institution requested “cancellation of the Institution’s license” as well as a waiver of all outstanding fees and citations.

On September 22, 2020, the Bureau emailed the Institution the school closure reporting forms and inquired what date the Institution anticipated to close. The Institution responded that they had already ceased and suspended all operations, and that they would be filing for bankruptcy. The Bureau informed the Institution that they would be subject to citation for failing to report the required closure information and that any outstanding fees are considered to be a separate issue not handled by the Closed Schools Unit.

On September 29, 2020 and October 5, 2020, the Institution emailed various units within the Bureau inquiring if prior fees will be waived, if the Institution can be closed without submitting forms, and how long will it take to close the Institution.

On October 6, 2020, the Bureau informed the Institution that they were previously notified on September 22, 2020 with directions on how to close Institution. The Bureau emailed the Institution a second closure reporting form and explained that a letter which would include all the required closure information would be accepted by the Bureau as an alternative to the closure reporting forms.

The Institution acknowledged the receipt of the closure reporting forms and inquired about any outstanding fees and/or waivers of the fees and the Bureau reiterated that the Institution closure was a separate issue from any outstanding fees.

On October 16, 2021, the Institution notified the Bureau via email that the Institution was guided to close out all outstanding fees prior to closing the Institution. In addition, the Institution again requested all fees be waived in order to close properly.

As of February 11, 2021, the Bureau has not received the required closure information and has not paid their outstanding fees.

Order of Abatement:

The Bureau orders that the institution provide the Bureau with a complete school closure plan in accordance with CEC section 94926(a)(b)(c)(d) and 5, CCR section 76240(a)(1)(2)(3)(4)(A)(B)(5)(6)(b)(1)(2).

Assessment of Fine

The fine for this violation is \$5,000.00

2. **Violation**

CEC Section 94927.5 (a)(1) - Provision of Records to Bureau Prior to Closing

“(a) Prior to closing, an institution shall provide the bureau with the following:

(1) Copies of pertinent student records, including transcripts, in hardcopy or electronic form, as determined by the bureau, pursuant to regulations adopted by the bureau.”

The Institution failed to provide a plan for the retention of records and transcripts prior to closing, as required by CEC section 94927.5 (a)(1).

Order of Abatement:

The Bureau orders that the Institution provide the Bureau with the plan of retention of student records, and information on how students may obtain their records as required by CEC section 94927.5 (a)(1)

Assessment of Fine

The fine for this violation is \$5,000.00

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 **March 13, 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 **February 11, 2021**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **March 13, 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:

Nicole Mitchell, 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 Nicole Mitchell, Citation Analyst, at Nicole.Mitchell@dca.ca.gov.

“Original signature on file”

“2/11/2021”

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