



Bureau for Private Postsecondary Education
1747 N. Market Blvd. Ste 225 Sacramento, CA 95834
P.O. Box 980818, West Sacramento, CA 95798-0818
P (916) 574-8900 F (916) 263-1897 www.bppe.ca.gov



CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: Golden State University, Inc., Owner
Golden State University
9047 E. Florence Avenue #L
Downey, CA 90241

INSTITUTION CODE: 85210092
CITATION NUMBER: 2021116
CITATION ISSUANCE/SERVICE DATE: October 8, 2020
DUE DATE: November 7, 2020
FINE AMOUNT: \$ 4,500.00
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 Golden State University, Inc., Owner of Golden State University (Institution) located at 9047 E. Florence Avenue #L, Downey, CA 90241, 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 March 10, 2020, Bureau staff conducted a Compliance inspection at the Institution. During the inspection Bureau staff reviewed student files and found material violations related to refunds for withdrawn students, “Notice to Prospective Degree Program Students” disclosures, supporting documentation to substantiate the data reported on the 2017-2018 School Performance Fact Sheet (SPFS), and supporting documentation to substantiate the data reported on the 2019 Student Tuition Recovery Fund (STRF) Assessment Reporting Forms.

VIOLATION(S)

#	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.	Violation: 5, CCR Section 74112(m)(2)(3)(4)(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</i>

program shall include at a minimum:

(2) student name(s), address, phone number, email address, program completed, program start date, scheduled completion date, and actual completion dates;

(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;

(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."

5, CCR Section 71930 (a)(e) – Maintenance of Records

"(a) An institution shall maintain all records required by the Act and this chapter. The records shall be maintained in this state.

(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."

CEC Section 94929.7 (a)(1)(2) – Documentation of Performance Data

"(a) The information used to substantiate the rates and information calculated pursuant to Sections 94929 and 94929.5 shall do both of the following:

(1) Be documented and maintained by the institution for five years from the date of the publication of the rates and information.

(2) Be retained in an electronic format and made available to the bureau upon request."

Bureau staff requested the supporting documentation to substantiate the data reported on 2017-2018 SPFS, however, by the conclusion of the inspection Institution staff was unable to provide the documentation. Bureau staff was unable to verify if the Institution was collecting and maintaining the data.

Order of Abatement:

The Bureau orders the Institution to submit a written policy, or procedure, of how future compliance will be maintained per 5, CCR Section 74112 and CEC Section 94929.7.

Assessment of Fine

The fine for this violation is \$3,000.00

2.

Violation:

5, CCR Section 76140 (a)(1-13)(b)– Record Keeping Requirements

"(a) A qualifying institution shall collect and maintain records of student information to substantiate the data reported on the STRF Assessment Reporting Form and records of the students' eligibility under the Fund. Such records shall include the following for each student:

(1) Student identification number,

(2) First and last names,

(3) Email address,

(4) Local or mailing address,

(5) Address at the time of enrollment,

(6) Home address,

(7) Date enrollment agreement signed,
 (8) Courses and course costs,
 (9) Amount of STRF assessment collected,
 (10) Quarter in which the STRF assessment was remitted to the Bureau,
 (11) Third-party payer identifying information,
 (12) Total institutional charges charged, and
 (13) Total institutional charges paid.
 (b) The qualifying institution shall maintain the data required under this section in an electronic format that is readily available and open to inspection by the Bureau upon request. The institution shall make the records immediately available to a Bureau representative conducting a site inspection or, upon written request, shall provide a copy within 14 calendar days of the request. All records shall be provided to the Bureau in an intelligible and orderly manner and in an electronic format."

Bureau staff requested the supporting documentation to substantiate the data reported on 2019 STRF Quarterly Assessment Reporting Forms, however, by the conclusion of the inspection Institution staff was unable to provide the documentation. Bureau staff was unable to verify if the Institution was collecting and maintaining the data.

Order of Abatement:

The Bureau orders the Institution to submit a written policy, or procedure, of how future compliance will be maintained per 5, CCR Section 76140.

Assessment of Fine

The fine for this violation is \$1,000.00

3. **Violation:**
5, CCR Section 71775.5(b) – Pre-Enrollment Disclosure; Notice to Prospective Degree Program Students; Institutions with Existing Approvals to Operate
"(b) The student and an institutional representative shall initial and date the notice prior to executing an enrollment agreement. An initialed copy of the notice shall be given to the student and the original shall be retained in the enrolled student's records"

Bureau staff reviewed student files and found that the "Notice to Prospective Degree Program Students" disclosures were not initialed and dated by students.

Order of Abatement:

The Bureau orders the Institution to submit a written policy, or procedure, of how future compliance will be maintained per 5, CCR Section 71775.5.

Assessment of Fine

The fine for this violation is \$1,000.00

4. **Violation:**
5, CCR Section 71920(a)(b)(10) – Student Records
*"(a) The institution shall maintain a file for each student who enrolls in the institution whether or not the student completes the educational service.
 (b) In addition to the requirements of section 94900, the file shall contain all of the following pertinent student records:
 (10) A document specifying the amount of a refund, including the amount refunded for tuition and the amount for other itemized charges, the method of calculating the refund, the date the refund was made, and the name and address of the person or entity to which the refund was sent;"*

	<p style="color: red;">Bureau staff reviewed withdrawn student files and found that the students files were missing documentation of whether a refund was made to the withdrawn students.</p> <p><u>Order of Abatement:</u> The Bureau orders the Institution to submit a written policy, or procedure, of how future compliance will be maintained per 5, CCR Section 71920.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$500.00</u></p>
TOTAL ADMINISTRATIVE FINE DUE: \$4,500.00	

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 **\$4,500.00** 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 **November 7, 2020**, 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 **October 8, 2020**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **November 7, 2020**. 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:

Gabriella Perez, 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 Gabriella Perez, Citation Analyst, at (916 574-8969 or Gabriella.Perez@dca.ca.gov).

“Original signature on file”

“10/8/2020”

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