



**CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT**

To: St. Giles Colleges, Inc., Owner  
 St. Giles Colleges, Inc.  
 785 Market Street, Suite 300  
 San Francisco, CA 94103

**INSTITUTION CODE:**

**CITATION NUMBER: 1920145**

**CITATION ISSUANCE/SERVICE DATE: November 25, 2019**

**DUE DATE: December 25, 2019**

**FINE AMOUNT: \$ 2,000.00**

**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 St. Giles Colleges, Inc., Owner of St. Giles Colleges, Inc. (Institution) located at 785 Market Street, Suite 300, San Francisco, CA 94103, 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 June 21, 2019, Bureau staff conducted an unannounced Compliance inspection at the Institution. During the inspection, Bureau staff reviewed students' files and determined that the Institution does not require verification of high school completion or equivalent, and/or Ability-to-Benefit test results. Bureau staff also determined that the Institution failed to collect substantiating data to support the information reported on the School Performance Fact Sheets (SPFS) and Student Tuition Recover Fund (STRF) Assessment Reporting Forms.

VIOLATIONS

#	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.	<b>Violation:</b> <b>5, CCR, Section 71770(a)(1) – Admissions Standards and Transferred Credits Policy</b> <i>“(a) The institution shall establish specific written standards for student admissions for each educational program. These standards shall be related to the particular educational program. An</i>

institution shall not admit any student who is obviously unqualified or who does not appear to have a reasonable prospect of completing the program. In addition to any specific standards for an educational program, the admissions standards must specify as applicable that:

(1) Each student admitted to an undergraduate degree program, or a diploma program, shall possess a high school diploma or its equivalent, or otherwise”

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

“(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.”

**5, CCR Section 71920(a)(b)(1)(A) – Maintenance of 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:

(1) Written records and transcripts of any formal education or training, testing, or experience that are relevant to the student's qualifications for admission to the institution or the institution's award of credit or acceptance of transfer credits including the following:

(A) Verification of high school completion or equivalency or other documentation establishing the student's ability to do college level work, such as successful completion of an ability-to-benefit test;”

The Institution failed to collect verification of high school completion, GED or Ability-to-Benefit (ATB) test results from students. The Institutions representatives stated that the Institution does not require verification from students. Bureau staff informed the Institution that they are required to abide by the requirements of 5, CCR sections 71920 and 71770. On July 11, 2019, the Institution was approved for an alternate ATB test per CEC Section 94904.

**Assessment of Fine**

The fine for this violation is \$500.00

2.

**Violation:**

**5, CCR Section 74112(m)(1-9) – Uniform Data – Annual Report, Performance Fact Sheet**

“(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;

(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;

(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 failed to collect any substantiating data to support the School Performance Fact Sheet (SPFS). The Institution representative stated that they do not collect the substantiating data as they were not aware that the post-departure information applied to them as an English As a Second Language (ESL) institution. On June 21, 2019, the Institution provided a statement regarding how they will maintain future compliance per 5, CCR Section 74112.

**Assessment of Fine**

The fine for this violation is \$500.00

3.

**Violation:**

**5, CCR Section 76140(a)(1-13) – 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."*

The Institution provided the Bureau with substantiating data to support the information reported on the Student Tuition Recovery Fund (STRF) Assessment Reporting Form. The data the Institution provided was incomplete for 5, CCR 76140 (a)(1-13). The data the Institution provided was also missing the following:

1. Home address
2. Date enrollment agreement signed
3. Course costs
4. Amount of STRF assessment collected
5. Quarter in which the STRF assessment was remitted to the Bureau
6. Third-party payer identifying information
7. Total institutional charges charged
8. Total institutional charges paid

	<p>The Institution stated that they did not collect all of the data per 5, CCR section 76140.</p> <p><b><u>Order of Abatement:</u></b> The Bureau orders the Institution to provide a written policy of how future compliance will be maintained per 5, CCR Section 76140.</p> <p><b><u>Assessment of Fine</u></b> The fine for this violation is <u>\$1,000.00</u></p>
<b>TOTAL ADMINISTRATIVE FINE DUE: \$2,000.00</b>	

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 **\$2,000.00** 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 **December 25, 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 **November 25, 2019**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **December 25, 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:**

Gabriella Perez, Discipline Citation Program  
Bureau for Private Postsecondary Education  
Post Office Box 980818  
West Sacramento, CA 95798-0818

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) 621-2593 or [Gabriella.Perez@dca.ca.gov](mailto:Gabriella.Perez@dca.ca.gov).

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**Christina Villanueva**  
**Discipline Manager**

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**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