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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:

Case No. 1002195

13 **ATI COLLEGE**

**ACCUSATION**

14 **16262 Whittier Blvd.**  
15 **Suite 1**  
16 **Whittier, CA 90603 (Main Campus)**

17 **3460 Wilshire Blvd.**  
18 **Suite 550**  
19 **Los Angeles, CA 90010 (Satellite Campus)**

**Institution Code: 1937261**

20 Respondent.

21  
22  
23 Complainant alleges:

24 **PARTIES**

25 1. Leeza RiFredri (Complainant) brings this Accusation solely in her official capacity as  
26 the Deputy Chief of the Bureau for Private Postsecondary Education, Department of Consumer  
27 Affairs.

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1           2.    On or about December 19, 2013, the Bureau for Private Postsecondary Education  
2 issued Approval to Operate Number 1937261 to ATI College (Respondent).

### 3                                   JURISDICTION

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

### 8                                   STATUTORY PROVISIONS<sup>1</sup>

9           4.    Business and Professions Code section 477 states: “As used in this division:

10           “(a) “Board” includes “bureau,” “commission,” “committee,” “department,” “division,”  
11 “examining committee,” “program,” and “agency.”

12           “(b) “License” includes certificate, registration or other means to engage in a business or  
13 profession regulated by this code.”

14           5.    Section 94897 of the Education Code states in relevant part:

15           “An institution shall not do any of the following:

16           \*\*\*

17           “(c) Advertise concerning job availability, degree of skill, or length of time required to learn  
18 a trade or skill unless the information is accurate and not misleading.”

19           6.    Section 94932 of the Code states: “The bureau shall determine an institution's  
20 compliance with the requirements of this chapter. The bureau shall have the power to require  
21 reports that institutions shall file with the bureau in addition to the annual report, to send staff to  
22 an institution's sites, and to require documents and responses from an institution to monitor  
23 compliance. When the bureau has reason to believe that an institution may be out of compliance,  
24 it shall conduct an investigation of the institution. If the bureau determines, after completing a  
25 compliance inspection or investigation, that an institution has violated any applicable law or  
26 regulation, the bureau shall take appropriate action pursuant to this article.”

27           <sup>1</sup> California Private Postsecondary Education Act of 2009, Ed. Code § 94880, et. seq. was  
28 recently amended, effective January 1, 2017. (See Senate Bill No. 1192).

1 REGULATORY PROVISIONS

2 7. California Code of Regulations, title 5, division 7.5, section 71745 states in relevant  
3 part:

4 “(a) The institution shall document that it has at all times sufficient assets and financial  
5 resources to do all of the following:

6 (1) Provide all of the educational programs that the institution represented it would provide.

7 (2) Ensure that all students admitted to its educational programs have a reasonable  
8 opportunity to complete the programs and obtain their degrees or diplomas.

9 (3) Maintain the minimum standards required by the Act and this chapter.

10 \*\*\*

11 (5) Pay all operating expenses due within 30 days.

12 (6) Maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the  
13 end of the most recent fiscal year when using generally accepted accounting principles, or for an  
14 institution participating in Title IV of the federal Higher Education Act of 1965, meet the  
15 composite score requirements of the U.S. Department of Education. For the purposes of this  
16 section, current assets do not include: intangible assets, including goodwill, going concern value,  
17 organization expense, startup costs, long-term prepayment of deferred charges, and non-  
18 returnable deposits, or state or federal grant or loan funds that are not the property of the  
19 institution but are held for future disbursement for the benefit of students. Unearned tuition shall  
20 be accounted for in accordance with general accepted accounting principles.”

21 COST RECOVERY

22 8. Section 125.3 of the Business and Professions Code states, in pertinent part, that the  
23 Bureau may request the administrative law judge to direct a licentiate found to have committed a  
24 violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the  
25 investigation and enforcement of the case.

26 9. Education Code section 94937 provides, in pertinent part, that the Bureau may seek  
27 reimbursement of costs of investigation and enforcement pursuant to section 125.3 of the  
28

1 Business and Professions Code but that an institution shall not be required to pay the cost of  
2 investigation to more than one agency.

3 **FIRST CAUSE FOR DISCIPLINE**

4 **(Prohibited Business Practices)**

5 10. Respondent is subject to disciplinary action under Education Code section 94897,  
6 subdivision (c) in that Respondent advertised misleading information on its website regarding a  
7 student's ability to take The Sonography Principles & Instrumentation (SIP) exam upon  
8 graduating from ATI College. Specifically, Respondent stated on its website that "Registration  
9 with ARDMS [American Registry for Diagnostic Medical Sonography] requires passing a general  
10 physical principles and instrumentation examination "SPI" (upon completion of Physics module  
11 at ATI College will be eligible to sit on the SPI exam immediately ..."). However, graduates of  
12 ATI College did not qualify to take the SPI examination as stated on Respondent's website. To  
13 take the SPI examination, an individual must graduate from a school accredited by the  
14 Commission on Accreditation of Allied Health Education Programs (CAAHEP) or have twelve  
15 months of full time clinical ultrasound/vascular experience. Respondent is not accredited by  
16 CAAHEP and its graduates do not have twelve months of full-time clinical experience.

17 **SECOND CAUSE FOR DISCIPLINE**

18 **(Failure To Meet Financial Resource Requirements)**

19 11. Respondent is subject to disciplinary action under California Code of Regulations,  
20 title 5, division 7.5, section 71745, subdivisions (a)(1), (a)(2), (a)(3), (a)(5), and (a)(6) in that  
21 Respondent did not at all times have sufficient assets and financial resources as required by law  
22 nor did Respondent maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or  
23 greater. Specifically, on or about November 4, 2016, a Bureau Analyst reviewed the audited  
24 financial records submitted by Respondent for the year ending December 31, 2015. Respondent's  
25 asset to liability ratio was 0.88.

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PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Director of the Department of Consumer Affairs issue a decision:

1. Revoking or suspending Approval to Operate Number 1937261 issued to ATI College;
2. Ordering ATI College to pay the Bureau for Private Postsecondary Education the reasonable costs of the investigation and enforcement of this case, pursuant to 125.3 of the Business and Profession Code and Education Code section 94937; and
3. Taking such other and further action as deemed necessary and proper.

DATED: 9/6/2017

Leeza Ripedi  
LEEZA RIPEDI  
Deputy Bureau Chief  
Bureau for Private Postsecondary Education  
Department of Consumer Affairs  
State of California  
*Complainant*

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