



CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: Alliance Trucking School, Inc., Owner
Alliance School of Trucking
9410 Jordan Avenue
Chatsworth, CA 91311

INSTITUTION CODE: 90919933

CITATION NUMBER: 1819209

CITATION ISSUANCE/SERVICE DATE: June 6, 2019

DUE DATE: July 6, 2019

FINE AMOUNT: \$11,000.00

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 Alliance Trucking School, Inc., Owner of Alliance School of Trucking (Institution) located at 9410 Jordan Avenue, Chatsworth, CA 91311, pursuant to Business and Professions Code section 125.9; California Education Code (CEC) section 94936; and Title 5 of the California Code of Regulations (5, CCR) section 75020 for the violations described below.

BACKGROUND

On February 14, 2018, the Institution was issued Notice to Comply #CU 90919933 0218 (NTC) as minor violations were detected during the Compliance review and Compliance inspection. The Institution was given 30 days from the date of the inspection to either remedy the violations or submit a written notice of disagreement. The Bureau received documentation from the Institution that resolved three violations; however, nine violations remain outstanding. A Notice of Disagreement was not submitted to the Bureau within the 30-day timeframe.

On December 4, 2018, the Bureau issued Citation#1819061 to the Institution as result of failing to pay its annual fee for the 2017 calendar year, failing to submit the Student Tuition Recovery Fund (STRF) Assessment Reporting Forms for the following quarters: 3rd and 4th quarters of 2016, 4th quarter of 2017, and 1st, 2nd and 3rd quarters of 2018. The Institution was ordered to submit the delinquent STRF Assessment Reporting Forms with the STRF Assessments collected from students for the abovementioned quarters. Additionally, the Institution was ordered to submit student information to substantiate the data reported on the STRF Assessment Reporting Forms. As of June

5, 2019, the Bureau has not received the payment for the 2017 annual fee, delinquent STRF Assessment Reporting Forms or substantiating data. The Abatement for this Citation remains outstanding.

All institutions are required to pay the annual fee within 30 days of the date on which the Institution originally receives its approval to operate and each year thereafter on the anniversary of the date of the original approval. An institution shall pay its annual fee in addition to any other applicable fees.

Pursuant to 5, CCR section 74006 (a) and (b), and CEC section 94930.5 (d)(1)(A)(g). An annual fee for each campus designated by the Institution as a main campus location in California, in an amount equal to 0.45 percent of the campus' total gross revenue derived from students in California, but not to be less than two thousand five hundred dollars (\$2,500) and not to exceed sixty thousand dollars (\$60,000). Effective July 1, 2018, per CEC section 94930.5(g). An Institution shall submit to the Bureau an annual fee for each campus designed by the Institution as a main campus location in California, in an amount equal to 0.55 percent of the campus' total gross revenue derived from students in California, but not to be less than two thousand five hundred dollars (\$2,500) and not to exceed sixty thousand dollars (\$60,000).

The institution failed to pay its annual fee for the 2014 calendar year within the appropriate timeframe; therefore, a penalty payment fee was assessed. As of June 5, 2019, the Bureau has not received the Institution's penalty payment for the late submission of the 2014 annual fee.

The Bureau received a partial payment of the Institution's annual fee for the 2018 calendar year. As the Institution did not pay the annual fee in its entirety, a penalty payment fee was assessed. As of June 5, 2019, the Bureau has not received the remainder of the Institution's annual fee for the 2018 calendar year and the assessed penalty fee.

In accordance with CEC section 94934 and 5, CCR section 74110 (c) and (d) an Institution shall file its Annual Report by December 1st of every year. As of May 28, 2019, the Institution has not submitted the 2016 and Annual Report.

On December 20, 2018, the Bureau's Annual Report Unit (ARU) notified institutions by mail, informing them that the online portal to submit the 2017 Annual Report would be opening with an April 20, 2019 due date. On or about February 14, 2019, the Bureau notified institutions by mail, sent to the addresses on record, that the online portal was open. On or about April 22, 2019, ARU mailed reminder letters to the institutions, sent to the addresses on record, that the online portal opened January 16, 2019 and that submission deadlines were extended to May 16, 2019. As of May 28, 2019, the Institution has not submitted the Annual Report for the 2017 calendar year.

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.	<p>Violation:</p> <p>5, CCR Section 74110 (a-d) – Annual Report</p> <p><i>“(a) The annual report required by section 94934 of the Code shall include the information required by section 94929.5 and 94934 for all educational programs offered in the prior calendar year. (b) In addition to the information required by section 94934 and this section provided under penalty of</i></p>

perjury, the institution shall have annual financial statements prepared for the institution's prior fiscal year and signed under penalty of perjury and shall submit a hard copy under separate cover of such statements in conjunction with its annual report. The form, content and mode of preparation of financial statements shall comply with Section 74115 of this Division. The Bureau may request that the institution immediately make available for inspection to a representative of the Bureau, these financial statements at the offices of the institution. (c) An institution shall file its annual report by December 1st. The Bureau may extend the period for filing if the institution demonstrates evidence of substantial need but in no case longer than 60 days. The institution shall not change the date of its filing its annual report because of a change in the fiscal year without the Bureau's approval. (d) The annual report shall be electronically filed by submitting the information required by section 94934 of the Code and this section via the online form provided on the Bureau's website, electronically attaching, as directed, the School Performance Fact Sheet, the enrollment agreement, and the school catalog".

CEC Section 94934(a)(1-9) - Annual Report

"(a) As part of the compliance program, an institution shall submit an annual report to the bureau, under penalty of perjury, signed by a responsible corporate officer, by July 1 of each year, or another date designated by the bureau, and it shall include the following information for educational programs offered in the reporting period:

- (1) The total number of students enrolled by level of degree or for a diploma.
- (2) The number of degrees, by level, and diplomas awarded.
- (3) The degree levels and diplomas offered.
- (4) The Student Performance Fact Sheet, as required pursuant to Section 94910.
- (5) The school catalog, as required pursuant to Section 94909.
- (6) The total charges for each educational program by period of attendance.
- (7) A statement indicating whether the institution is, or is not, current in remitting Student Tuition Recovery Fund assessments.
- (8) A statement indicating whether an accrediting agency has taken any final disciplinary action against the institution.
- (9) Additional information deemed by the bureau to be reasonably required to ascertain compliance with this chapter".

As of May 28, 2019, the Bureau has not received an Annual Report for years 2016 and 2017 from the Institution.

Order of Abatement:

The Bureau orders the Institution to submit its Annual Report in accordance with 5, CCR section 74110 (a-d) and CEC section 94934(a)(1-9). The Institution shall submit the following:

2016 Annual Report:

- Complete the 2016 Annual Report template located on the Bureau's website at https://bppe.ca.gov/annual_report/2016_annual_report.shtml.
- Save the following documents to a cd or flash drive:
 - 2016 Annual Report
 - School Performance Fact Sheets
 - Catalog, and
 - Enrollment Agreement

The cd or flash drive and a hard copy of the financial statements for year-end 2016 must be submitted via regular mail to the Bureau for Private Postsecondary Education, P.O. Box 980818, West Sacramento, CA 95833.

2017 Annual Report

- Complete and submit the 2017 Annual Report via the Bureau's Online Annual Report Submission Portal website at https://bppe.ca.gov/annual_report/.

A hard copy of the financial statements for year-end 2017 must be submitted via regular mail to the Bureau for Private Postsecondary Education, P.O. Box 980818, West Sacramento, CA 95833.

Assessment of Fine

The fine for this violation is \$5,000.00

2. **Violation:**

5, CCR Section 74006(a) and (b) -- Annual Fee

"(a) An institution's annual fee is due within 30 days of the date on which the institution originally receives its approval to operate and each year thereafter on the anniversary of the date of the original approval. (b) An institution shall pay its annual fee in addition to any other applicable fees.

CEC, Section 94930.5(d)(1)(A)(g) – Fee Schedule

(d)(1) In addition to any fees paid to the bureau pursuant to subdivisions (a) to (c), inclusive, each institution that is approved to operate pursuant to this chapter shall remit both of the following:

(A) An annual fee for each campus designated by the institution as a main campus location in California, in an amount equal to 0.45 percent of the campus' total gross revenue derived from students in California, but no to be less than two thousand five hundred dollars (\$2,500) and not to exceed sixty thousand dollars (\$60,000).

(g) Notwithstanding subdivision (d), effective July 1, 2018, the annual fee for each campus described in subparagraphs (A) and (B) of paragraph (1) of subdivision (d) shall be in an amount equal to 0.55 percent of that campus' total gross revenue derived from students in California, but not to be less than two thousand five hundred dollars (\$2,500) and not to exceed sixty thousand dollars (\$60,000) for each campus.

CEC, Section 94931 (b) – Late Payment

(b) a Fee that is not paid on or before the 90th calendar day after the due date for the payment of the fee shall be subject to a 35 percent late penalty fee.

The Institution did not pay its annual fee for the 2014 calendar year within the appropriate timeframe; therefore, a penalty payment fee was assessed. As of June 5, 2019, the Institution has failed to pay the annual fee for the 2014 calendar year, as well as the penalty fee.

The Institution submitted partial payment for the annual fee for the 2018 calendar year. As a result, a penalty fee was assessed.

The Institution has failed to pay the remainder of its annual fee for the 2018 calendar year and the assessed late penalty fee.

Order of Abatement:

The Bureau orders the Institution to submit the remaining balance of \$1,742.00 for the annual fee

	<p>for the 2018 calendar year, in accordance with 5, CCR section 74006(a)(b) and CEC section 94930.5(d)(1)(A)(g). In addition, the Institution must pay all late payment penalty fees for calendar years 2014 and 2018.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$00.00</u></p>
3.	<p><u>Violation:</u> CEC, Section 94913 (a)(1-5) – Institutional Web Site Requirements <i>(a) An institution that maintains an Internet Web site shall provide on that Internet Web site all of the following:</i> <i>(1) The school catalog.</i> <i>(2) A School Performance Fact Sheet for each educational program offered by the institution.</i> <i>(3) Student brochures offered by the institution. California Private Postsecondary Education Act of 2009</i> <i>(4) A link to the bureau's Internet Web site.</i> <i>(5) The institution's most recent annual report submitted to the bureau.</i></p> <p>The Institution's website failed to include: A School Performance Fact Sheet for each educational program offered by the Institution; student brochures offered by the Institution; and the Institution's most recent Annual Report submitted to the Bureau.</p> <p><u>Order of Abatement:</u> The Institution shall update the website, and submit proof of compliance to the Bureau, to include: A School Performance Fact Sheet for each educational program offered by the Institution; a school catalog; and the Institution's most recent Annual Report submitted to the Bureau.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$2,500.00</u></p>
4.	<p><u>Violation:</u> 5, CCR Section 71730(a)(b) – Administration <i>(a) Each institution shall have a chief executive officer, a chief operating officer and chief academic officer. One person may serve more than one function.</i> <i>(b) The duties, responsibilities, and performance evaluation criteria for each administrator shall be set forth in a personnel manual or other writing maintained by the institution.</i></p> <p>The Institution failed to have the duties, responsibilities and performance evaluation criteria for each administrator set forth in a personnel manual or other writing maintained by the Institution.</p> <p><u>Order of Abatement:</u> The Institution shall submit to the Bureau the duties, responsibilities and performance evaluation criteria for the Chief Academic Officer, Chief Operating Officer and Chief Executive Officer.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$500.00</u></p>
5.	<p><u>Violation:</u> 5, CCR Section 71750(f) – Withdrawals and Refunds <i>(f) The institution shall provide to the Bureau their policy and procedure to ensure the institution maintains a cancellation and withdrawal log, kept current on a monthly basis, which shall include the names, addresses, telephone numbers, and dates of cancellations or withdrawal of all students who have cancelled the enrollment agreement with, or withdrawn from, the institution during the calendar</i></p>

year.

The Institution failed to maintain a current cancellation and withdrawal log.

Order of Abatement:

The Bureau orders the Institution to submit a copy of the monthly cancellation and withdrawal log template. In addition, the Bureau orders that the Institution submit a written declaration that the Institution will comply with 5, CCR section 71750(f).

Assessment of Fine

The fine for this violation is \$1,000.00

6. **Violation:**

5, CCR Section 71920(a)(b)(1)(A)(5)(A)(E) – 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:

(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.

(5) In addition to the requirements of section 94900(b) of the Code, a transcript showing all of the following:

(A) The courses or other educational programs that were completed, or were attempted but not completed, and the dates of completion or withdrawal;

(E) The name, address, website address, and telephone number of the institution.

CEC, Section 94900(b)(1)(2)(3) – Required Student Records

(b) An institution shall maintain, for each student granted a degree or certificate by that institution, permanent records of all of the following:

(1) The degree or certificate granted and the date on which that degree or certificate was granted.

(2) The courses and units on which the certificate or degree was based.

(3) The grades earned by the student in each of those courses.

During the Compliance inspection, the Bureau determined the Institution's student files failed to contain copies of high school completion or equivalent for four out of five students.

The Bureau also determined that the Institution's graduate student files failed to contain transcripts. Additionally, the Institution's staff affirmed that the Institution does not use or maintain transcripts.

Order of Abatement:

The Bureau orders the Institution to submit an established policy and procedure of how the Institution will stay in compliance with 5, CCR section 71920(a)(b)(1)(A)(5)(A)(E) and CEC, section 94900(b)(1)(2)(3).

Assessment of Fine

The fine for this violation is \$1,000.00

7.	<p>Violation: 5, CCR Section 71930(e) – Maintenance of Records <i>(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.</i></p> <p>During the Compliance inspection, the Institution failed to make available to the Bureau the Annual Report, financial records, student rosters and Student Tuition Recovery Fund documentation.</p>
	<p>Order of Abatement: The Bureau orders that the Institution provide a policy or procedure ensuring that all records that the Institution is required to maintain by the Act or this chapter shall be made readily available to the Bureau upon request in accordance with 5, CCR section 71930(e).</p> <p>Assessment of Fine The fine for this violation is \$1,000.00</p>
TOTAL ADMINISTRATIVE FINE DUE: \$11,000.00	

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 **\$11,000.00** 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 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 **July 6, 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 **June 6, 2019**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **July 6, 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:

Ray Delaney, Discipline Citation Program
Bureau for Private Postsecondary Education
2535 Capitol Oaks Drive, Suite 400
Sacramento, CA 95833

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 Ray Delaney, Citation Analyst, at (916) 431-6946 or Ray.Delaney@dca.ca.gov.



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