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**BEFORE THE
DEPARTMENT OF CONSUMER AFFAIRS
FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:
**C & S HEALTH EDUCATION
SERVICES; SAMUEL CARRAWAY,
OWNER
17405 Chatsworth Street
Granada Hills, CA 91344**
Institution School Code No. 46576478

Respondent.

Case No. 999514
OAH No. 2018010269
DEFAULT DECISION AND ORDER

[Gov. Code, §11520]

FINDINGS OF FACT

1. On or about February 2, 2017, Complainant Dr. Michael Marion, Jr., in his official capacity as the Chief of the Bureau for Private Postsecondary Education, Department of Consumer Affairs, filed Accusation No. 999514 against C & S Health Education Services; Samuel Carraway, Owner (Respondent) before the Director of Consumer Affairs. (Accusation attached as Exhibit A.)

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1 2. On or about September 26, 2006, the Bureau for Private Postsecondary Education
2 (Bureau) issued Temporary Approval for Institution School Code No. 46576478 to Respondent
3 C & S Health Education Services with Samuel Carraway, owner. Full Approval was granted on
4 April 27, 2007 and expired on September 21, 2013. A renewal application was received on
5 August 26, 2013 and is currently pending.

6 3. On or about February 7, 2017, Respondent was served with Accusation No. 999514.

7 4. On or about February 23, 2017, Respondent signed and returned a Notice of Defense,
8 requesting a hearing in this matter.

9 5. On, January 3, 2018, a Notice of Hearing was served by mail at Respondent's address
10 of record which was and is: 17405 Chatsworth Street, Granada Hills, CA 91344. The Notice of
11 Hearing informed him that an administrative hearing in this matter was scheduled for June 18-20,
12 2018. A subsequent Notice of the Consolidated Hearing was served on June 4, 2018.

13 6. Service of the Accusation was effective as a matter of law under the provisions of
14 Government Code section 11505(c) and/or Business and Professions Code section 124.

15 7. The matter was called for hearing at the date, time and location set forth in the Notice
16 of Hearing. The assigned Administrative Law Judge found that the service of the Notice of
17 Hearing on Respondent was proper. There was no appearance by or on behalf of Respondent. A
18 default was declared and on motion of counsel for Complainant, the matter was remanded to the
19 Bureau under Government Code section 11520.

20 8. Government Code section 11506(c) states, in pertinent part:

21 (c) The respondent shall be entitled to a hearing on the merits if the respondent
22 files a notice of defense . . . and the notice shall be deemed a specific denial of all
23 parts of the accusation . . . not expressly admitted. Failure to file a notice of defense
24 . . . shall constitute a waiver of respondent's right to a hearing, but the agency in its
25 discretion may nevertheless grant a hearing.

26 9. California Government Code section 11520(a) states, in pertinent part:

27 (a) If the respondent either fails to file a notice of defense . . . or to appear at
28 the hearing, the agency may take action based upon the respondent's express
admissions or upon other evidence and affidavits may be used as evidence without
any notice to respondent

1 10. Pursuant to its authority under Government Code section 11520, the Director finds
2 Respondent is in default. The Director will take action without further hearing and, based on the
3 relevant evidence contained in the Default Decision Evidence Packet in this matter, as well as
4 taking official notice of all the investigatory reports, exhibits and statements contained therein on
5 file at the Director's offices regarding the allegations contained in Accusation No. 999514, finds
6 that the charges and allegations in Accusation No. 999514, are separately and severally, found to
7 be true and correct by clear and convincing evidence.

8 11. The Director finds that the actual costs for Investigation and Enforcement are
9 \$7,909.06 as of June 7, 2018.

10 **DETERMINATION OF ISSUES**

11 1. Based on the foregoing findings of fact, Respondent C & S Health Education Services
12 with Samuel Carraway as owner has subjected his Institution School Code No. 46576478 to
13 discipline.

14 2. The agency has jurisdiction to adjudicate this case by default.

15 3. The Director of Consumer Affairs is authorized to revoke Respondent's Institution
16 School Code based upon the following violations alleged in the Accusation which are supported
17 by the evidence contained in the Default Decision Evidence Packet in this case:

18 **FIRST CAUSE FOR DISCIPLINE**

19 (Failure to Timely File Annual Report)

20 4. Respondent is subject to disciplinary action under section 5, California Code of
21 Regulations (CCR) sections 74110 subdivisions (a) through (d) and California Education Code
22 (CRC) section 94934 subdivision (a)(1) through (9) in that Respondent institution failed to timely
23 file its Annual Reports commencing with the 2014 Annual Report.

24 **SECOND CAUSE FOR DISCIPLINE**

25 (Failure to Submit Financial Statements)

26 5. Respondent is subject to disciplinary action under section 5, CCR section 71745
27 subdivisions (a)(6) and (c) and 71930 subdivision (e) in that the institution failed to maintain and
28 submit financial statements to the Bureau that demonstrate that the institution has sufficient

1 assets and financial resources to maintain a ratio of current assets to current liabilities of 1.25 to
2 1.0 or greater.

3 **THIRD CAUSE FOR DISCIPLINE**

4 (Failure to Submit Annual Fee and Late Payments)

5 6. Respondent is subject to disciplinary action under CEC sections 94930.5 subdivision
6 (d)(1)(A), 94931 subdivision (a) and (b) and 5, CCR 74000 subdivision (a) and (c) in that the
7 institution has not submitted to the Bureau the 2015 annual fee nor the late payment penalty fee.

8 **FOURTH CAUSE FOR DISCIPLINE**

9 (Failure to Meet Minimum Operating Standards – Student Tuition Recovery Fund (STRF))

10 7. Respondent is subject to disciplinary action under 5, CCR section 76140 subdivision
11 (a)(1)-(13) and (b), 71930 subdivision (e) 76130, and 76120 subdivision (a) in that the institution
12 failed to comply with record keeping requirements as follows:

13 8. The Institution failed to submit quarterly STRF assessment forms to the Bureau
14 commencing with the 1st quarter of 2014 and continuing through the 3rd quarter of 2016.

15 9. The Bureau is unable to determine if the institution collected and/or accurately
16 calculated STRF fees for qualifying students who enrolled in 2013 and 2014.

17 **FIFTH CAUSE FOR DISCIPLINE**

18 (Failed to Obtain Approval for Change of Location)

19 10. Respondent is subject to disciplinary action under CEC section 71660 in that the
20 institution failed to obtain authorization from the Bureau before adding a satellite location.
21 Respondent institution had been approved to operate at 17405 Chatsworth Street, Granada Hills,
22 CA 91344, however Respondent has not requested approval for its additional location of 17411
23 Chatsworth Street, Suite 101, Granada Hills, CA 91344.

24 **SIXTH CAUSE FOR DISCIPLINE**

25 (Failure to Maintain Student Records)

26 11. Respondent is subject to disciplinary action in that student records reviewed during an
27 announced institution visit on September 25, 2014 failed to comply with the minimum standards
28 as follows:

1 12. Three (3) student files reviewed during the September 25, 2014 institution visit do
2 not contain high school diplomas or equivalency or documentation of successful completion of an
3 ability-to-benefit test. [5, CCR 71920 subdivision (b)(1)(A)]

4 13. Two (2) graduate student files reviewed during the September 25, 2014 institution
5 visit do not contain certificates of completion, records of the courses and units on which the
6 certificates were based, or the grades earned by the students in each of the courses. [CEC 94900
7 subdivision (b)(1)-(3)]

8 14. Two (2) graduate student files reviewed during the September 25, 2014 institution
9 visit do not contain transcripts. [5, CCR 71920 subdivision (b)(5)(A)]

10 **SEVENTH CAUSE FOR DISCIPLINE**

11 (Failure to Maintain Records - Documentation to Support Performance Fact Sheet)

12 15. Respondent is subject to disciplinary action for failure to maintain records for the
13 institution as follows:

14 16. Respondent failed to submit documentation to support its 2012 Student Performance
15 Fact Sheet data and information [5, CCR 74112 subdivision (m), and 5, CCR 71930 subdivision
16 (e) CEC 94929.7 subdivision (a)(1) and (2), and (b)]

17 17. As of a institution visit on September 25, 2014, student files and enrollment packets
18 inspected by the Bureau did not contain a SPFS initialed by the student subject to disciplinary
19 action under section [5, CCR 71920 subdivision (b)(3) and CEC 94902 subdivision (b)(3)]

20 18. Respondent failed to maintain for inspection a log containing required information for
21 students who have withdrawn from the institution and/or who have cancelled their enrollment
22 agreements. [5, CCR 71750 subdivision (f) and 5, CCR 71930 subdivision (e)]

23 **EIGHTH CAUSE FOR DISCIPLINE**

24 (Failure to Comply with Minimum Requirements for School Catalog)

25 19. Respondent is subject to disciplinary action for failing to comply with minimum
26 requirements for the 2014-2016 Certified Nursing Assistant and a Home Health Aide
27 (CNA/HHA) institution catalog as follows:

1 20. The 2014-2016 CNA/HHA institution catalog does not include a statement that the
2 institution is a private institution and that it is approved by the Bureau. [CEC 94909(a)(2)]

3 21. The 2014-2016 CNA/HHA institution catalog does not include the required verbatim
4 language that directs the student to the Bureau for unanswered questions. The institution catalog
5 does not list the Bureau's current contact information. The institution incorrectly directs the
6 student to the Bureau for Private Postsecondary and Vocational Education at 1625 N. Market
7 Blvd., Sacramento, CA 95834, which entity and address no longer exists. The Bureau's correct
8 address is 2535 Capitol Oaks Drive, Suite 400, Sacramento, CA 95833. [CEC 94909(a) (3) (A)]

9 22. The 2014-2016 CNA/HHA institution catalog does not contain any statement that
10 encourages the student to review the institution catalog and SPFS prior to signing an enrollment
11 agreement. [CEC 94909(a)(3)(B)]

12 23. The 2014-2016 CNA/HHA institution catalog states, "Student complaints, oral or
13 written, shall be directed to the Institution Director, (C&S Health Education Services, 17405
14 Chatsworth Street, Granada Hills, CA 91344." The institution catalog requires student
15 complaints to be directed to the Institution Director and does not contain the verbatim language
16 that refers individuals wishing to file a complaint about the institution to the Bureau. [CEC
17 section 94909(a)(3)(C)]

18 24. The 2014-2016 CNA/HHA institution catalog does not provide a description of
19 instruction provided and requirements for completion of each program. The institution catalog
20 does not list the description of the HHA program. [CEC 94909(a)(6)]

21 25. The 2014-2016 CNA/HHA institution catalog does not list any faculty information or
22 Qualifications. [CEC 94909(a)(7)]

23 26. The 2014-2016 CNA/HHA institution catalog does not contain an admissions policy
24 regarding acceptance of credits earned at other institutions or through challenge examinations and
25 achievement tests, admissions requirements for ability-to- benefit students, and a list describing
26 any transfer or articulation agreements between the institution and any other college or university
27 that provides for the transfer of credits earned in the program of instruction [CEC
28 94909(a)(8)(A)].

1 27. The 2014-2016 CNA/HHA institution catalog states, "[a]ll monies will be refunded if
2 the student cancels within three (3) business days after signing the Registration and Enrollment
3 Agreement and making initial payment ... " The cancellation and refund policy listed in the
4 institution catalog does not comply with the code sections that state that the student has the right
5 to cancel the enrollment agreement and obtain a refund of charges paid through attendance at the
6 first class session, or the seventh day after enrollment, whichever is later. [CEC 94909(a) (8)(B)]

7 28. The 2014-2016 CNA/HHA institution catalog does not contain a detailed description
8 of institutional probation and dismissal policies. [CEC 94909(a)(8)(C)]

9 29. The 2014-2016 CNA/HHA institution catalog does not contain a detailed description
10 of institutional policies regarding leave of absence. [CEC 94909(a)(8)(E)]

11 30. The 2014-2016 CNA/HHA institution catalog and 2013-2015 LPT/CPT institution
12 catalog do not contain list or a schedule of total charges for a period of attendance and an
13 estimated schedule of total charges for the entire educational program. [CEC 94909(a)(9)]

14 31. The 2014-2016 CNA/HHA institution catalog does not contain a statement reporting
15 whether the institution participates in federal and state financial aid programs and if so, all
16 consumer information that is required to be disclosed to the student pursuant to the applicable
17 federal and state financial aid programs.. [CEC 94909(a)(10)]

18 32. The 2014-2016 CNA/HHA institution catalog does not contain a statement specifying
19 that, if a student obtains a loan to pay for an educational program, the student will have the
20 responsibility to repay the full amount of the loan plus interest, less the amount of any refund.
21 Also, if the student has received federal student financial aid funds, the student is entitled to a
22 refund of the moneys not paid from federal student financial aid program funds. [CEC
23 94909(a)(11)]

24 33. The 2014-2016 CNA/HHA institution catalog and 2013-2015 LPT/CPT institution
25 catalog do not specify whether the Institution has a pending petition in bankruptcy, is operating as
26 a debtor in possession, has filed a petition within the preceding five years, or has had a petition in
27 bankruptcy filed against it within the preceding five years that resulted in reorganization under
28 Chapter 11 of the United States Bankruptcy Code. [CEC 94909(a)(12)]

1 34. The 2014-2016 CNA/HHA institution catalog does not specify whether the institution
2 provides a placement service, a description of the nature, and extent of the placement services.

3 [CEC 94909(a)(13)]

4 35. The 2014-2016 CNA/HHA institution catalog and 2013-2015 LPT/CPT institution
5 catalog do not list a description of the student's rights and responsibilities with respect to the

6 STRF. [CEC 94909(a)(14)]

7 36. The 2014-2016 CNA/HHA institution catalog does not contain any statement
8 regarding the transferability of credits and credentials. The 2013-2015 LPT/CPT institution

9 catalog states, "NOTICE CONCERNING TRANSFERABILITY OF UNITS AT OUR

10 INSTITUTION" Units/hours you earn in our Phlebotomy 101, 201 or the Phlebotomy 201 Course
11 will not be transferable to any other college or university in the near future even though you

12 earned at C & S Health Education Services. In addition, if you earn a diploma or certificate in our
13 Phlebotomy 201 Course or Phlebotomy 201 Course, in most cases it probably will not serve as a

14 basis for obtaining a degree at a college or university." The institution catalog does not contain
15 the required verbatim in CEC section 94909(a)(15) that informs the student that the acceptance of

16 the certificate earned at C & S Health Education Services is at the complete discretion of the
17 institution to which he/she may seek to transfer. [CEC 94909(a)(15)]

18 37. The 2014-2016 CNA/HHA institution catalog does not contain a statement of the
19 institution's missions and objectives: language proficiency information; whether any instruction

20 will occur in a language other than English; the institution's policies and practices regarding any
21 form of financial aid; and the institution's policies and procedures for the award of credit for prior

22 experiential learning. [5, CCR 71810(b)(2),(4)-(7)]

23 38. The 2014-2016 CNA/HHA institution catalog does not provide a description of the
24 facilities and types of equipment and materials used for instruction. The institution catalog does

25 not describe its library or other learning resources and procedures for student access to those
26 resources. [5, CCR 71810(b)(9)-(10)]

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1 39. The 2014-2016 CNA/HHA institution catalog does not list the availability of housing
2 and the estimation of the approximate cost or range of cost of the housing. [5, CCR
3 71810(b)(13)(B)]

4 40. The 2014-2016 CNA/HHA institution catalog does not contain its policy on student
5 rights. [5, CCR 71810(b)(14)]

6 **NINTH CAUSE FOR DISCIPLINE**

7 (Failure to Meet Minimum Requirements for Enrollment Agreements)

8 41. Respondent is subject to disciplinary action under section CEC 94911 in that the
9 enrollment agreements for the institution fail to meet the minimum standards as follows:

10 42. The template enrollment agreement and the enrollment agreements in the student files
11 do not include the total number of credit hours required to complete the educational program.
12 [CEC 94911(a)]

13 43. The template enrollment agreement and the enrollment agreements in the student files
14 do not list the non-refundable charges and STRF fees. [CEC 94911(b)]

15 44. The template enrollment agreement and the enrollment agreements in the student files
16 do not list the estimated total charges for the entire educational program and the total charges the
17 student is obligated to pay upon enrollment and the verbiage isn't underline and in capital letters
18 or on the same page as the student's signature. [CEC 94911(c)]

19 45. The template enrollment agreement and the enrollment agreements in the student files
20 do not contain the required verbatim statement: "Students Right to Cancel." Additionally, the
21 enrollment agreements indicate, "The student has a right to a full refund of all charges less the
22 amount of the Pre-Registration fee if he/she cancels this agreement prior to on the first day of
23 instruction." The enrollment agreements do not indicate that the student has the right to cancel
24 and obtain a refund or charges paid through attendance at the first class session, or the seventh
25 day after enrollment, whichever is later. [CEC 94911(e)(1)]

26 46. The template enrollment agreement and the enrollment agreements in the student files
27 do not include the disclosures regarding federal or state loans. [CEC 94911(g)(1) and (2)]

1 47. The template enrollment agreement and the enrollment agreements in the student files
2 do not contain the required transferability disclosure. [CEC 94911(h)]

3 48. The template enrollment agreement and the enrollment agreements in the student files
4 do not contain the required statements or a line for the students to acknowledge that they received
5 the institution catalog, SPFS, and brochures prior to signing their enrollment agreement. [CEC
6 94911(i)(1) and (2)]

7 49. The template enrollment agreement and the enrollment agreements in the student files
8 do not include any statement that directs the students to the Bureau for unanswered questions and
9 for filing a complaint to the Bureau. [CEC 94911(j)(1) and (2)]

10 50. The template enrollment agreement and the enrollment agreements in the student files
11 do not list the date by which the students have the right to cancel or withdraw. [5, CCR 71800
12 (d)]

13 51. The template enrollment agreement and the enrollment agreements in the student files
14 do not contain an itemization of any of the institutional charges and fees. [5, CCR 71800(e) (1)-
15 12]

16 52. The template enrollment agreement and the enrollment agreements in the student files
17 do not contain any of the verbatim statements regarding STRF. [5, CCR 76215(a)and (b)]

18 **ORDER**

19 IT IS SO ORDERED that Institution School Code No. 46576478, issued to Respondent
20 C & S Health Education Services with Samuel Carraway as owner is revoked.

21 Pursuant to Government Code section 11520, subdivision (c), Respondent may serve a
22 written motion requesting that the Decision be vacated and stating the grounds relied on within
23 seven (7) days after service of the Decision on Respondent. The agency in its discretion may
24 vacate the Decision and grant a hearing on a showing of good cause, as defined in the statute.

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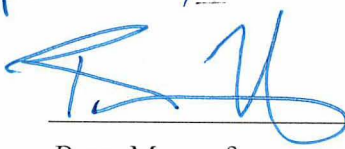
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OCT 11 2018

This Decision shall become effective on _____.

It is so ORDERED September 2, 2018



Ryan Marcroft
Deputy Director
Legal Affairs Division
Department of Consumer Affairs

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DOJ Matter ID:LA2016601994

Attachment:
Exhibit A: Accusation