



APPEAL OF CITATION INFORMAL CONFERENCE
DECISION: CITATION MODIFIED

December 29, 2022

Education Equities Fund, LLC - Hussian School of Art, Inc., Owner
 Hussian College/Studio School
 1201 West 5th Street
 Los Angeles, CA 90017

Date of Issuance	Citation Number	Institution Code
December 29, 2022	2223017	70838872

On November 3, 2022, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 2223017 (Citation) against Education Equities Fund, LLC - Hussian School of Art, Inc., Owner of Hussian College, (formerly known as Studio College). In attendance were Ebony Santee, Licensing Chief, Joshua Figuli, Corporate President/Owner/Board Member, and Adrienne Scott, Chief Academic Officer.

Pursuant to Business and Professions Code, section 125.9; California Education Code, section 94936; and Title 5 of the California Code of Regulations, section 75020 and section 75040, the Bureau for Private Postsecondary Education (Bureau) renders the following decision relative to your appeal of the Citation No. 2223017.

It is the decision of the Licensing Chief that on November 29, 2022, Citation No. 2223017 is modified and makes the following change(s):

VIOLATION CODE SECTIONS

#	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><u>MODIFIED</u></p> <p><u>Violation:</u> CEC Section 94897(j)(3) – Prohibited Business Practices <i>“(j) In any manner make an untrue or misleading change in, or untrue or misleading statement related to, a test score, grade or record of grades, attendance record, record indicating student completion, placement, employment, salaries, or financial information, including any of the following:</i> <i>(3) Any other record or document required by this chapter or by the bureau.”</i></p>

CEC Section 94909(a)(5) – Minimum Requirements for School Catalog

“(a) Except as provided in subdivision (d), before enrollment, an institution shall provide a prospective student, either in writing or electronically, with a school catalog containing, at a minimum all of the following:

(5) A description of the programs offered and a description of the instruction provided in each of the courses offered by the institution, the requirements for completion of each program, including required courses, any final tests or examinations, any required internships or externships, and the total number of credit hours, clock hours, or other increments required for completion.

Violation: CEC Section 94897 (j)(3) and CEC Section 94909 (a)(5)

The Institution did not provide student A.H. with the advertised curriculum listed in the required school catalog and failed to provide evidence that A.H. was made aware of, and agreed to, a change in the advertised curriculum. A.H. transcript shows 12 of the 16 courses completed are not listed in the School Catalog under the Course Catalog section for the Post-Bacc Acting Program.

The Courses that are bolded were not listed in the School Catalog under the Course Catalog section for the Post-Bacc Acting Program:

2018-2019: Session 1 – 01/28/2019 – 03/20/2019

ACT 515 Improvisation

LAB 550 Collab Lab I

2018-2019: March Session – 03/25/2019 – 04/19/2019

ACT 542 Studio Acting I

LAB 550 Collab Lab I

2018-2019: April Session – 04/22/2019 – 05/17/2019

ACT 543 Acting Studio II

LAB 551b Collab Lab IIb

2018-2019: May Session – 05/20/2019 – 06/14/2019

ACT 521 Filmcraft + Producing Your Own Work

ACT 549 Commercial + Voiceover Acting

LAB 552a Collab Lab IIIa

LAB 560 Studio Production

2018-2019: June Session – 06/17/2019 – 07/19/2019

ACT 544 Acting Studio III

LAB 552b Collab Lab IIIb

2018-2019: July Session – 07/22/2019 – 08/16/2019

ACT 522 Audition Technique: Film + Television

ACT 525 The Actor’s Reel

	<p>LAB 553 Collab Lab III</p> <p>2018-2019: August Session – 08/19/2019 – 09/15/2019 ACT 546 Professional Practice</p> <p>Therefore, the Institution is in violation of making a misleading change in the school catalog.</p> <p><u>Order of Abatement:</u> The Bureau orders the Institution to submit a policy, or procedure, on how the Institution will maintain future compliance with CEC sections 94897 and 94909. The policy, or procedure, should include how the Institution will ensure that all students are notified of any changes to the school catalog.</p> <p><u>Reason for modification:</u> New substantive facts were presented at the conference. The Order of Abatement has been satisfied.</p> <p><u>Fine Amount:</u> \$5,000.00</p>
2.	<p><u>MODIFIED</u></p> <p><u>Violation:</u> 5, CCR Section 74112 (m)(1)(2)(3)(4)(5)(6)(7)(8)(9) – Uniform Data – Annual Report, Performance Fact Sheet</p> <p><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 program shall include at a minimum:</i></p> <p><i>(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;</i></p> <p><i>(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;</i></p> <p><i>(5) for students who become self-employed, all documentation necessary to demonstrate self-employment;</i></p> <p><i>(6) a description of all attempts to contact each student. or employer;</i></p> <p><i>(7) any and all documentation used to provide data regarding license examinations and examination results;</i></p> <p><i>(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</i></p> <p><i>(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.”</i></p>

CEC 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.”

On January 10, 2022, during the Compliance inspection, the Institution provided Bureau staff with the substantiating documentation for the 2019-2020 SPFS that was being tracked on a computer. Bureau staff requested an electronic copy of the substantiating documentation for the 2018-2019 SPFS, and the documentation was compiled by the Institution and put onto a flash drive. After reviewing the supporting documentation, Bureau staff found that the information was incomplete as required data points were missing.

The SPFS supporting documentation was determined to be missing section 74112 (m)(3-9).

Order of Abatement:

The Bureau orders the Institution to submit the supporting documentation for the missing items listed above to substantiate the data reported on the 2019-2020 SPFS. In addition, the Bureau orders the Institution to submit a written policy, or procedure, of how future compliance will be maintained in accordance with 5, CCR Section 74112.

Reason for modification: New substantive facts were presented at the conference. The Order of Abatement has been partially satisfied.

Modified Order of Abatement:

The Bureau orders the Institution to submit the supporting documentation for the missing items listed above to substantiate the data reported on the 2019-2020 SPFS.

Fine Amount: \$5,000.00

3. **AFFIRMED**

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 (g)- Fee Schedule

(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 payment of the fee shall be subject to a 35 percent late payment penalty fee.

The Institution failed to pay the 90-day late payment penalty fee for calendar year 2021.

On August 2, 2021, the Institution was notified, Invoice # 900359581, via mail at 1201 West 5th Street, Suite F-10, Los Angeles, CA 90017, stating that the annual fee for calendar year 2021 was due on September 1, 2021.

On October 15, 2021, the Institution was notified, Invoice # 900361164, via mail at 1201 West 5th Street, Suite F-10, Los Angeles, CA 90017, stating that the annual fee for calendar year 2021 was due on September 1, 2021

On August 5, 2022, the Bureau received payment for the 2021 annual fee in the amount of \$60,000.00, more than 90 days past the due date.

As of August 31, 2022, the Bureau has not received the 90-day late payment penalty fee for the 2021 Annual fee.

Order of Abatement:

The Bureau orders the Institution to pay its 90-day late payment penalty fees for the 2021 Annual Fee in accordance with 5, CCR Section 74006 and CEC Sections 94930.5 and 94931.

Assessment of Fine

The fine for this violation is \$00.00

TOTAL ADMINISTRATIVE FINE DUE: \$10,000.00

ORDER OF ABATEMENT

The Bureau orders that you comply with the orders described in the ‘Violation Code Sections’ of this document and submit evidence of compliance within 30 days from the date of this decision.

PENALTY – ASSESSMENT OF A FINE

Payment of the administrative fine is due within 30 days from the date of this decision. Please complete the Payment of Fine form. Payment must be made to the Bureau by check, or money order. Please include the citation number on the payment of the fine assessment. Payment of the administrative fine shall not constitute an admission of the violation(s) charged and shall be represented as satisfactory resolution of the matter for purposes of public disclosure. Payments may be mailed to:

Tessa Barron, Discipline Citation Program

Page 5 of 6

Citation No. 2223017- MODIFIED

Education Equities Fund, LLC - Hussian School of Art, Inc., Owner of Hussian College/Studio School
Institution code: 70838872

Bureau for Private Postsecondary Education
1747 N. Market Blvd., Suite 225
Sacramento, CA 95834

APPEAL OF CITATION

You *do not* have the right to request another Informal Conference to appeal this modified Citation. You *do*, however, have the right to appeal this affirmed or modified Citation through an Administrative Hearing. A hearing before an Administrative Law Judge will be scheduled and you will be notified of the hearing date. The hearing will be held pursuant to Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

If you do not wish to appeal this modified Citation you must withdraw your initial request for an Administrative Hearing, if one was made. Please complete and mail the enclosed Withdrawal – Request for Administrative Hearing within **30 Days** of the date of this decision.

EFFECTIVE DATE OF CITATION AND FINE ASSESSMENT

This modified Citation is effective on **December 29, 2022**. The Order of Abatement and payment are due by **January 28, 2022**.

Failure to abate the violation or to pay the administrative fine within the time allowed is grounds for denial of an application for an approval to operate or discipline. The Bureau will promptly take all appropriate action to enforce the Modified 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 decision or desire further information, please contact Tessa Barron, Citation Analyst, at (916) 574-7791 or at Tessa.Barron@dca.ca.gov.

“Original Signature on File”

“12/29/2022”

Elizabeth Elias
Enforcement Chief

Date

Enclosures

- Payment of Fine – Waiver of Appeal Rights
- Withdrawal- Request for Administrative Hearing
- Declaration of Service by Certified and First-Class Mail