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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**

FIRST AMENDED ACCUSATION

14 **12440 Firestone Blvd.**
15 **Suite 2001**
16 **Norwalk, CA 90650 (Main Campus)**

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

19 **Institution Code: 1937261**

20 Respondent.

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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 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.

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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
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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: 10/15/2017



LEEZA R. FREDI
Deputy Bureau Chief
Bureau for Private Postsecondary Education
Department of Consumer Affairs
State of California
Complainant

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