Bureau for Private Postsecondary Education
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CITATION: ASSESSMENT OF FINE AND/OR ORDER OF ABATEMENT

To: Cecilio Lorenzo
Cornerstone International College
725 Whipple Road
Union City, CA 94587

INSTITUTION CODE: Unapproved
CITATION NUMBER: 1415003
CITATION ISSUANCE/SERVICE DATE: March 17, 2015
DUE DATE: April 16, 2015
FINE AMOUNT: $ 50,000.00
ORDER OF ABATEMENT INCLUDED: YES

Yvette Johnson issues this Citation: Assessment of Fine and Order of Abatement (Citation) in her official capacity as Enforcement Chief of the Bureau for Private Postsecondary Education (Bureau) of the California Department of Consumer Affairs.

CITATION

A Citation is hereby issued to Cecilio Lorenzo, Owner of Cornerstone International College (Institution) located at 725 Whipple Road, Union City, CA 94587 pursuant to Business and Professions Code section 148; California Education Code (CEC) §94944; and Title 5 of the California Code of Regulations (5 CCR) §75020 for the violation(s) described below.

VIOLATION

#	The California Education Code (CEC) and the California Code of Regulations (CCR). Below you will find the code section(s) of law you are charged with violating.
1.	**Violation:** CEC-94886– Approval to Operate Required *"Except as exempted in Article 4 (commencing with Section 94874) or in compliance with the transition provisions in Article 2 (commencing with Section 94802), a person shall not open, conduct, or do business as a private postsecondary educational institution in this state without obtaining an approval to operate under this chapter."* 1/28/11, Cornerstone College of Science and Technology submitted to the Bureau an Application for Verification of Exempt status claiming an exemption under CEC 94874(d)(2) *"An institution offering either of the following: (2) Continuing education or license examination preparation, if the institution or the program is approved, certified, or sponsored by any of the following: (A) A government agency, other than the bureau, that licenses persons in a particular profession, occupation, trade, or career field.*

(B) A state-recognized professional licensing body, such as the State bar of California, that licenses persons in a particular profession, occupation, trade, or career field. (C) A bona fide trade, business, or professional organization." and CEC 94874(f) *"educational program for total charges of two thousand five hundred dollars (2,500) or less when no part of the total charges is paid from state or federal student financial aid programs."*

On 8/5/11 and 11/30/11 the Bureau notified Cecilio Lorenzo (Lorenzo) that Cornerstone College of Science and Technology would not qualify for exemption under CEC 94874(d)(2) as all programs must be continuing education or license exam preparation for registered nurses. On 12/01/11 the Bureau mailed a Verification of Exempt Status letter to Lorenzo notifying him that exempt status was approved as Cornerstone College of Science and Technology met the qualifications for exemption under the Act, CEC 94874(f).

On 1/25/13 the Bureau received an anonymous tip that Cornerstone International College, formerly known as Cornerstone College of Science and Technology, was operating an unapproved Hemodialysis Technician Program (HTP) with a tuition of $6,000.00. On 1/27/15 Bureau staff visited Cornerstone International College, at 725 Whipple Road, Union City, CA 94587. Bureau staff obtained student files for students C.C. and K.B that are currently enrolled in HTP. The student files contained Enrollment Agreements, invoices, paid statements and check copies, all of which indicated that Cornerstone International College, charged student C.C. $5,800.00 and student K.B. $6,549.00 in tuition for the HTP, which is over the $2,500.00 amount for which exemption was claimed under CEC 94874(f). Lorenzo claims that HTP is exempt as it is a continuing education course for registered nurses.

On 1/27/15, Lorenzo admitted to Bureau staff during the visit that the HTP has been offered since 2013 and the prerequisite for the program is a high school diploma or GED, which is contradictory to his claim that it is a continuing education course for registered nurses.

On 1/27/15, Bureau staff toured Cornerstone International College and found it to be fully operational and charging over $2,500 for tuition. Cornerstone International College does not qualify for the exempt status granted to Cornerstone College of Science and Technology on 12/1/11 because the tuition and fees charged exceed the exemption amount pursuant to CEC94874(f).

Cecilio Lorenzo, owner, has failed to submit an application for approval to operate and is in violation of CEC 94866.

Order of Abatement:

The Bureau orders that the Cornerstone International College (CIC) formerly known as Cornerstone College of Science and Technology, immediately stop enrolling any new students. CIC must complete the Closed School application and provide the documents to the Bureau's Closed School unit by April 16, 2015, to confirm the closure of CIC.

	Assessment of Fine The fine for this violation is $50,000.00
	TOTAL ADMINISTRATIVE FINE DUE: $50,000.00

ASSESSMENT OF A FINE

In accordance with CEC section 94944; and 5 CCR section 75020(b), the Bureau hereby orders this assessment of a fine in the amount of **$50,000.00** for the violations described above. **Payment must be made, to the Bureau, within 30 days from the date of service of the Citation.**

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(s) of abatement must be submitted, to the Bureau, within 30 days from the date of service of the Citation.**

BACKGROUND

On 1/28/11, Cornerstone College of Science and Technology submitted an Application for Verification of Exempt status to the Bureau of Private Postsecondary Education. The request for exemption according to owner, Cecilio Lorenzo, was based on CEC 94874 (d)(2) claiming the courses offered were continuing education or license examination preparation and CEC 94874 (f) for charging less than $2,500.00 and not receiving any state or federal student financial aid.

On 8/5/11, the Bureau mailed a letter to Cecilio Lorenzo informing him that the Bureau could not confirm Cornerstone College of Science and Technology met an exemption under either CEC 94874 (d)(2) or 94874 (f).

On 11/30/11, Cecilio Lorenzo stated in an email that "Since the institution solely provides educational programs for two thousand five hundred dollars ($2,500) or less when no part of the total charges is paid from state or federal student financial aid programs, we hope that your agency could consider our institution qualify for an exemption under CEC Section 94874 (f)."

On 12/1/11, the Bureau issued a Verification of Exempt Status letter to Cecilio Lorenzo, owner of Cornerstone College of Science and Technology, for an exemption under CEC 94874 (f).

The Bureau received and investigated complaints that Cornerstone International College, formerly known as Cornerstone College of Science and Technology, was operating without Bureau approval.

The investigation found Cornerstone International College, operating at 725 Whipple Road, Union City, CA 94587, offering a Hemodialysis Technician Program with costs of $5,800.00 or more. The amount of tuition charged by Cornerstone International College invalidates the Verification of Exempt Status.

Owner, Cecilio Lorenzo, failed to submit an application for approval to operate to the Bureau when he changed the name of the school and when the amount of the tuition exceeded $2,500.00. Owner, Cecilio Lorenzo, continued to operate Cornerstone International College in violation of CEC 94886 -

Approval to Operate Required, which states in part, *"Except as exempted in Article 4 (commencing with Section 94874) or in compliance with the transition provisions in Article 2 (commencing with Section 94802), a person shall not open, conduct, or do business as a private postsecondary educational institution in this state without obtaining an approval to operate under this chapter."*

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 April 16, 2015, 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 **March 17, 2015.** Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **April 16, 2015**. 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:

Jody Wright, 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 Jody Wright, Enforcement Analyst, at 916-431-6940 or Jody.Wright@dca.ca.gov.

Yvette Johnson

Yvette Johnson
Enforcement Chief

3/17/15

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