



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

To: David Badagliacca, Owner
San Diego Culinary Institute
8024 La Mesa Blvd.
La Mesa, California 91942

INSTITUTION CODE: 3711771
CITATION NUMBER: 1617020
CITATION ISSUANCE/SERVICE DATE: August 10, 2016
DUE DATE: September 9, 2016
FINE AMOUNT: \$ 0.00
ORDER OF ABATEMENT INCLUDED: YES

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

CITATION

A Citation is hereby issued to David Badagliacca, Owner of San Diego Culinary Institute, 8024 La Mesa Blvd., La Mesa, California 91942, 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

Bureau staff conducted an unannounced compliance inspection of San Diego Culinary Institute on September 8, 2015, which resulted in an Enforcement Referral forwarded to Investigations to review the institution's financial statements. Results of the investigation revealed the institution's most recent U. S. Department of Education composite score to be 0.1, failing to meet financial resource requirements of 5, CCR 71745(6).

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: 5, CCR 71745 - Financial Resources

<p>(a) The institution shall document that it has at all times sufficient assets and financial resources to do all of the following:</p> <ul style="list-style-type: none"> (1) Provide all of the educational programs that the institution represented it would provide. (2) Ensure that all students admitted to its educational programs have a reasonable opportunity to complete the programs and obtain their degrees or diplomas. (3) Maintain the minimum standards required by the Act and this chapter. (4) Pay timely refunds as required by Article 13 of the Act. (5) Pay all operating expenses due within 30 days. (6) Maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal year when using generally accepted accounting principles, or for an institution participating in Title IV of the federal Higher Education Act of 1965, meet the composite score requirements of the U.S. Department of Education. For the purposes of this section, current assets does not include: intangible assets, including goodwill, going concern value, organization expense, startup costs, long-term prepayment of deferred charges, and nonreturnable deposits, or state or federal grant or loan funds that are not the property of the institution but are held for future disbursement for the benefit of students. Unearned tuition shall be accounted for in accordance with general accepted accounting principles. <p>Bureau staff conducted an unannounced compliance inspection on September 8, 2015, which resulted in an Enforcement Referral forwarded to Investigations to review the institution's financial statements. Results of the investigation revealed the institution's most recent U. S. Department of Education composite score to be 0.1, failing to meet financial resource requirements of 5, CCR 71745(6).</p> <p><u>Order of Abatement:</u> The Bureau orders the institution to submit a detailed plan to address its financial shortfalls and to improve its composite score to 1.5 in order to be deemed financially responsible.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$0.00</u></p>
<p>TOTAL ADMINISTRATIVE FINE DUE: \$0.00</p>

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 **\$0.00** 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.**

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 **September 9, 2016**, 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 **August 10, 2016**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **September 9, 2016**. 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:

Ben Graber, 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 Ben Graber, Enforcement Analyst, at 916-576-2409 or Benjamin.graber@dca.ca.gov

Elaine Shotwell
Enforcement Manager



August 10, 2016
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
- Declaration of Service by Certified and First Class Mail