



**Bureau for Private Postsecondary Education**  
 2535 Capitol Oaks Drive, Suite 400, Sacramento, CA 95833  
 P.O. Box 980818, West Sacramento, CA 95798-0818  
 P (916) 431-6959 F (916) 263-1897 www.bppe.ca.gov



**NOTICE TO COMPLY – CA 15633119 1014 (Ed. Code § 94935, 5 CCR § 75010)**

Institution Name:	ZMS The Academy	Institution Telephone:	323-372-6132
Institution Code:	15633119	Administrator Name:	Judy Caspe
Street Address:	6029 N. Figueroa Street Los Angeles, California 90042	Date of Inspection:	10/8/2014

**Nature and Facts of the Violation(s):**

Education Code	Subsection and Description
§94910 - Minimum Requirements for School Performance Fact Sheet.	<p>Prior to enrollment, an institution shall provide a prospective student with a School Performance Fact Sheet containing, at a minimum, the following information, as it relates to the educational program:</p> <p>(f) All of the following:</p> <p>(1) A description of the manner in which the figures described in subdivisions (a) to (d), inclusive, are calculated or a statement informing the reader of where he or she may obtain a description of the manner in which the figures described in subdivisions (a) to (d), inclusive, are calculated.</p> <p>(2) A statement informing the reader of where he or she may obtain from the institution a list of the employment positions determined to be within the field for which a student received education and training for the calculation of job placement rates as required by subdivision (b).</p> <p>(3) A statement informing the reader of where he or she may obtain from the institution a list of the objective sources of information used to substantiate the salary disclosure as required by subdivision (d).</p> <p>(g) The following statements:</p> <p>(1) "This fact sheet is filed with the Bureau for Private Postsecondary Education. Regardless of any information you may have relating to completion rates, placement rates, starting salaries, or license exam passage rates, this fact sheet contains the information as calculated pursuant to state law."</p> <p>(2) "Any questions a student may have regarding this fact sheet that have not been satisfactorily answered by the institution may be directed to the Bureau for Private Postsecondary Education at (address), Sacramento, CA (ZIP Code), (Internet Web site address), (telephone and fax numbers)."</p> <p>(h) If the institution participates in federal financial aid programs, the most recent three-year cohort default rate reported by the United States Department of Education for the institution and the</p>

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Inspector's Initial: *[Signature]*

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	percentage of enrolled students receiving federal student loans. <b>The Institution failed to provide a School Performance Fact Sheet with all the required information.</b>
§94913 - Institutional Web Site Maintenance	(a) An institution that maintains an Internet Web site shall provide on that Internet Web site all of the following: (1) The school catalog. (2) A School Performance Fact Sheet for each educational program offered by the institution. (3) Student brochures offered by the institution. (4) A link to the bureau's Internet Web site. (5) The institution's most recent annual report submitted to the bureau. (b) An institution shall include information concerning where students may access the bureau's Internet Web site anywhere the institution identifies itself as being approved by the bureau. <b>The Institution failed to provide an Internet Web Site with all the required information.</b>
§94929.5. Reporting of Student Performance Data	(a) An institution shall annually report to the bureau, as part of the annual report, and shall publish in its School Performance Fact Sheet, all of the following: (1) The job placement rate, calculated by dividing the number of graduates employed in the field by the number of graduates available for employment for each program that is either (1) designed, or advertised, to lead to a particular career, or (2) advertised or promoted with any claim regarding job placement. (2) The license examination passage rates for the immediately preceding two years for programs leading to employment for which passage of a state licensing examination is required, calculated by dividing the number of graduates who pass the examination by the number of graduates who take the licensing examination the first time that the examination is available after completion of the educational program. The institution shall use state agency licensing data to calculate license examination passage rates. If those data are unavailable, the institution shall calculate the license examination passage rate in a manner consistent with regulations adopted by the bureau. (3) Salary and wage information, consisting of the total number of graduates employed in the field and the annual wages or salaries of those graduates stated in increments of five thousand dollars (\$5,000). (4) If applicable, the most recent official three-year cohort default rate reported by the United States Department of Education for the institution and the percentage of enrolled students receiving federal student loans. (b) Nothing in this section shall limit the bureau's authority to collect information from an institution to comply with this section and ensure, by regulation and other lawful means, that the information required by this section, and the manner in which it is

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	<p>collected and reported, is all of the following:</p> <ol style="list-style-type: none"> <li>(1) Useful to students.</li> <li>(2) Useful to policymakers.</li> <li>(3) Based upon the most credible and verifiable data available.</li> <li>(4) Does not impose undue compliance burdens on an institution.</li> </ol> <p><b>The Institution failed to remit their 2013 Annual Report and they are missing the Performance Fact Sheet and Financials for 2012.</b></p>
§94929.7. Documentation of Performance Data	<p>(a) The information used to substantiate the rates and information calculated pursuant to Sections 94929 and 94929.5 shall do both of the following:</p> <ol style="list-style-type: none"> <li>(1) Be documented and maintained by the institution for five years from the date of the publication of the rates and information.</li> <li>(2) Be retained in an electronic format and made available to the bureau upon request.</li> </ol> <p>(b) An institution shall provide a list of employment positions used to determine the number of graduates employed in the field for purposes of calculating job placement rates pursuant to this article.</p> <p>(c) The bureau shall identify the specific information that an institution is required to document and maintain to substantiate rates and information pursuant to this section.</p> <p><b>The Institution failed to maintain the information used to substantiate the rates and information in the School Performance Fact Sheets. The institution failed to provide a list of employment positions used to determine graduates employed in the field.</b></p>
§94934. Annual Report	<p>(a) As part of the compliance program, an institution shall submit an annual report to the bureau, under penalty of perjury, signed by a responsible corporate officer, by July 1 of each year, or another date designated by the bureau, and it shall include the following information for educational programs offered in the reporting period:</p> <ol style="list-style-type: none"> <li>(1) The total number of students enrolled by level of degree or for a diploma.</li> <li>(2) The number of degrees, by level, and diplomas awarded.</li> <li>(3) The degree levels and diplomas offered.</li> <li>(4) The Student Performance Fact Sheet, as required pursuant to Section 94910.</li> <li>(5) The school catalog, as required pursuant to Section 94909.</li> <li>(6) The total charges for each educational program by period of attendance.</li> <li>(7) A statement indicating whether the institution is, or is not, current in remitting Student Tuition Recovery Fund assessments.</li> <li>(8) A statement indicating whether an accrediting agency has taken any final disciplinary action against the institution.</li> <li>(9) Additional information deemed by the bureau to be reasonably required to ascertain compliance with this chapter.</li> </ol> <p>(b) The bureau, by January 1, 2011, shall prescribe the annual</p>

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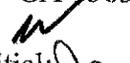
Inspector's Initial: 

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	<p>report's format and method of delivery.  <b>The Institution failed to remit their 2013 Annual Report and they are missing the Performance Fact Sheet and Financials for 2012.</b></p>
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Code of Regulations	Subsection and Description
<p>§71770 - Admissions Standards and Transferred Credits Policy.</p>	<p>(a)The institution shall establish specific written standards for student admissions for each educational program. These standards shall be related to the particular educational program. An institution shall not admit any student who is obviously unqualified or who does not appear to have a reasonable prospect of completing the program. In addition to any specific standards for an educational program, the admissions standards must specify as applicable that:  (1)Each student admitted to an undergraduate degree program, or a diploma program, shall possess a high school diploma or its equivalent, or otherwise successfully take and pass the relevant examination as required by section 94904 of the Code.  <b>The Institution failed to maintain a High School Diploma, GED or its equivalent, or otherwise successfully take and pass the relevant examination as required by section 94904 of the Code in the student files.</b></p>
<p>§71920 - Student Records.</p>	<p>(b)In addition to the requirements of section 94900, the file shall contain all of the following pertinent student records:  (10)A document-specifying the amount of a refund, including the amount refunded for tuition and the amount for other itemized charges, the method of calculating the refund, the date the refund was made, and the name and address of the person or entity to which the refund was sent;  <b>The Institution failed to maintain a refund document in the student files.</b></p>
<p>§76130. Collection and Submission of Assessments</p>	<p>(b)A qualifying institution shall complete the STRF Assessment Reporting Form (Rev. 2/10) and remit it with the STRF assessments collected from students to be received by the Bureau no later than the last day of the month following the close of the quarter as follows:  (1)April 30 for the first quarter,  (2)July 31 for the second quarter,  (3)October 31 for the third quarter, and  (4)January 31 for the fourth quarter. If the due date falls on a Saturday, Sunday or State or federal holiday, the due date shall be extended to the next regular business day for the Bureau.  If the due date falls on a Saturday, Sunday, or State or federal holiday, the due date shall be extended to the next regular business day for the Bureau.</p>

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	<p><b>The Institution failed to remit their STRF Assessment Reporting Forms to the bureau on time. Missing STRF – 1st and 2nd quarter 2014, 2nd and 4th quarter 2013</b></p>
§76140 - Record-Keeping Requirements.	<p>(a)A qualifying institution shall collect and maintain records of student information to substantiate the data reported on the STRF Assessment Reporting Form and records of the students' eligibility under the Fund. Such records shall include the following for each student:</p> <ul style="list-style-type: none"> <li>(1)Student identification number,</li> <li>(2)First and last names,</li> <li>(3)Email address,</li> <li>(4)Local or mailing address,</li> <li>(5)Address at the time of enrollment,</li> <li>(6)Home address,</li> <li>(7)Date enrollment agreement signed,</li> <li>(8)Courses and course costs,</li> <li>(9)Amount of STRF assessment collected,</li> <li>(10)Quarter in which the STRF assessment was remitted to the Bureau,</li> <li>(11)Third-party payer identifying information,</li> <li>(12)Total institutional charges charged, and</li> <li>(13)Total institutional charges paid.</li> </ul> <p>(b)The qualifying institution shall maintain the data required under this section in an electronic format that is readily available and open to inspection by the Bureau upon request. The institution shall make the records immediately available to a Bureau representative conducting a site inspection or, upon written request, shall provide a copy within 14 calendar days of the request. All records shall be provided to the Bureau in an intelligible and orderly manner and in an electronic format.</p> <p><b>The Institution failed to maintain records of student information to substantiate the data reported on the STRF Assessment Reporting Form.</b></p>
§74110. Annual Report	<p>(a)The annual report required by section 94934 of the Code shall include the information required by section 94934 for all educational programs offered in the prior calendar year.</p> <p>(b)In addition to the information required by section 94934 provided under penalty of perjury, the institution shall have annual financial statements prepared for the institution's prior fiscal year and signed under penalty of perjury, and shall submit a hard copy under separate cover of such statements in conjunction with its annual report. The form, content and mode of preparation of financial statements shall comply with section 74115 of this Division. The Bureau may request that the institution immediately make available for inspection to a representative of the Bureau, these financial statements at the offices of the institution.</p> <p>(c)An institution shall file its annual report by September 1st. The Bureau may extend the period for filing if the institution</p>

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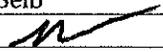
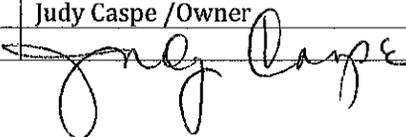
Administrator's Initial: 

	<p>demonstrates evidence of substantial need but in no case longer than 60 days. The institution shall not change the date of its filing its annual report because of a change in the fiscal year without the Bureau's approval.</p> <p>(d)The annual report shall be electronically filed by submitting the information required by section 94934 of the Code via the Bureau's website, electronically attaching, as directed, the School Performance Fact Sheet and the school catalog. An institution without the capability to submit the information electronically shall inform the Bureau not less than 45 days prior to the date the information is required by subdivision (c), and receive direction on alternative means of submission.</p> <p><b>The Institution failed to remit their 2013 Annual Report and they are missing the Performance Fact Sheet and Financials for 2012.</b></p>
<p>§74112 - Uniform Data - Annual Report, Performance Fact Sheet.</p>	<p>(a)Format. The format for the Performance Fact Sheet shall be in at least 12 pt. type, in an easily readable font, with 1.15 line spacing. The Performance Fact Sheet shall contain all and only the information required or specifically permitted by section 94910 of the Code or this chapter. Information shall be reported to the Bureau pursuant to section 94929.5(c) of the Code and, if required by section 94910(d) of the Code, shall be included in the Performance Fact Sheet, for each educational program, in a format substantially similar to the chart below, including the footnoted information.</p> <p><b>The Institution failed to provide a School Performance Fact Sheet that is substantially similar to example given and failed to provide a School Performance fact Sheet for each educational program.</b></p>
<p>§74112 - Uniform Data - Annual Report, Performance Fact Sheet.</p>	<p>(h) Documentation supporting all data reported shall be maintained by the institution for at least five years from the time included in either an Annual Report or a Performance Fact Sheet, and shall include at a minimum: student name(s), address, phone number, email address, program completed, program start and completion dates, place of employment and position, salary, hours, and a description of all attempts to contact each student. Documentation shall also include the name, email address, phone number, and position or title of the institution's representative who is 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.</p> <p><b>The Institution failed to provide supporting documentation for information provided on the Performance Fact Sheet.</b></p>

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Inspector's Initial: 

Administrator's Initial: 

Inspector's Name	Greg Seib
Inspector's Signature	
Institution Administrator Name/Title:	Judy Caspe /Owner
Institution Administrator's Signature:	

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RETURN THIS FORM WITHIN THE SPECIFIED TIME FRAME WITH EITHER: 1) VERIFICATION OF COMPLIANCE OR 2) A NOTICE OF DISAGREEMENT

**IMPORTANT COMPLIANCE NOTICE**

California Education Code §94935 and California Code of Regulations §75010 provide that the Bureau for Private Postsecondary Education (Bureau) shall issue a Notice to Comply for minor violations detected during a compliance inspection by the Bureau.

By no later than 30 days from the date of the inspection, you must either: 1) Remedy the noncompliance item(s), sign the below declaration and submit this form to the Bureau, along with documentation describing how compliance was achieved; or 2) File with the Bureau a written notice of disagreement, specifying the minor violation(s) described in the Notice to Comply with which you disagree, and appealing it by requesting an informal office conference. If a written notice of disagreement is not timely filed with the Bureau, the right to appeal is deemed to have been waived.

Failure to timely remedy the noncompliance item(s) or file a written request for an informal office conference may result in the Bureau taking administrative enforcement action.

**DECLARATION**

Attached to this document is a list describing how compliance was achieved for each violation and supporting documentation. I declare under penalty of perjury that all violations identified in this Notice to Comply are corrected as described in the attachment.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name and Title

**THIS DECLARATION OR A NOTICE OF DISAGREEMENT MUST BE SUBMITTED TO THE BUREAU BY 11/8/2014**

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