6 FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION STATE OF CALIFORNIA 10 11 12 13 In the Matter of the Statement of Issues Against: Case No. 1002344 14 OAH No. 2017110422 15 ABEBAH BAUGHMAN, OWNER; DEFAULT DECISION AND ORDER SELAH BEAUTY ACADEMY 16 424 Celebration Court [Gov. Code, § 11520] 17 Roseville, CA 95747 18 Application for Approval to Operate an Institution Non-Accredited 19 Respondent. 20 21 22 23 24 FINDINGS OF FACT On or about July 7, 2017, Complainant Joanne Wenzel, in her official capacity as the 25 Chief of the Bureau for Private Postsecondary Education, Department of Consumer Affairs, filed 26 Statement of Issues No. 1002344 against Abebah Baughman, Owner, Selah Beauty Academy 27 28 (Respondent) before the Director of the Department of Consumer Affairs.

(ABEBAH BAUGHMAN, SELAH BEAUTY ACADEMY) DEFAULT DECISION AND ORDER (1002344)

- 2. On or about September 18, 2015, Respondent filed an application dated September 18, 2015, with the Director of Consumer Affairs to obtain an Approval to Operate an Institution Non-Accredited.
- 3. On or about November 11, 2016, the Bureau issued a letter denying Respondent's application for an Approval to Operate an Institution Non-Accredited. On or about January 2, 2017, Respondent appealed the Bureau's denial of her application and requested a hearing.
- 4. On or about September 12, 2017, an employee of the Department of Justice served by Certified Mail and First-Class Mail a copy of the Statement of Issues No. 1002344, Statement to Respondent, Notice of Defense, and Request for Discovery to Respondent's home address as set forth in the application form, which was and is 424 Celebration Court, Roseville, CA 95747. A copy of the Statement of Issues is attached as exhibit A, and is incorporated herein by reference.
- 5. Service of the Statement of Issues was effective as a matter of law under the provisions of Government Code section 11505, subdivision (c).
- 6. On or about January 2, 2017, Respondent appealed the denial of her application and requested a hearing in this action. On January 12, 2018, a Notice of Hearing was served by mail at Respondent's home address as set forth in the application and it informed her that an administrative hearing in this matter was scheduled for January 25, 2018, at 9:00 a.m.at the Office of Administrative Hearings located in Sacramento, California.
- 7. The matter was called for hearing at the date, time and location set forth in the Notice of Hearing. The assigned Administrative Law Judge found that the service of the Notice of Hearing on Respondent was proper. There was no appearance by or on behalf of Respondent. A default was declared and on motion of counsel for Complainant, the matter was remanded to the Bureau under Government Code section 11520. A copy of the Office of Administrative Hearings Order of Remand is attached as exhibit B, and is incorporated herein by reference.
 - 8. Business and Professions Code section 118 states, in pertinent part:
 - (a) The withdrawal of an application for a license after it has been filed with a board in the department shall not, unless the board has consented in writing to such withdrawal, deprive the board of its authority to institute or continue a proceeding against the applicant for the denial of the license upon any ground provided by law or to enter an order denying the license upon any such ground.

- 9. Government Code section 11506(c) states, in pertinent part:
- (c) The respondent shall be entitled to a hearing on the merits if the respondent files a notice of defense ... and the notice shall be deemed a specific denial of all parts of the accusation ... not expressly admitted. Failure to file a notice of defense ... shall constitute a waiver of respondent's right to a hearing, but the agency in its discretion may nevertheless grant a hearing.
- 10. California Government Code section 11520(a) states, in pertinent part:
- (a) If the respondent either fails to file a notice of defense . . . or to appear at the hearing, the agency may take action based upon the respondent's express admissions or upon other evidence and affidavits may be used as evidence without any notice to respondent
- 11. Pursuant to its authority under Government Code section 11520, the Director finds Respondent is in default. The Director will take action without further hearing based upon the allegation set forth in the Statement of Issues and Respondent's failure to establish entitlement to issuance of a license.

DETERMINATION OF ISSUES

- 1. Based on the foregoing findings of fact, Respondent Abebah Baughman has subjected her application for an Approval to Operate an Institution Non-Accredited to denial.
- 2. Service of Statement of Issues No. 1002344 and related documents was proper and in accordance with the law.
 - 3. The agency has jurisdiction to adjudicate this case by default.
- 4. The Director of the Department of Consumer Affairs is authorized to deny Respondent's application for licensure under section 94887 of the California Education Code in that Respondent did not present sufficient evidence to the Bureau that Respondent has the capacity to satisfy the minimum operating standards as follows:
 - a. The institution did not include the period covered by the enrollment agreement, in violation of 5 CCR section 71800(b).
 - b. The institution did not include the date by which a student must exercise
 his or her right to cancel or withdraw, in violation of 5 CCR section
 71800(d).

c.	The STRF assessment the institution provided is incorrect, in violation of 5
	CCR 71475(p). Specifically, the assessment should be .00 to every
	\$1,000.00, not .50 to every \$1,000.00 as indicated.

- d. The institution failed to include the total charges for each program, in violation of Education Code section 94911(b).
- e. The institution failed to clearly identify registration fees as non-refundable, in violation of Education Code section 94911(b) and 5 CCR 71800(e)(2).
- f. The institution failed to include the specific required verbatim statement directing students to the bureau for unanswered questions, in violation of Education Code section 94911(j)(1). Specifically, the institution did not include the address, website, telephone and fax number for the bureau.
- g. The institution failed to include the specific required statement verbatim for filing a complaint with the Bureau, in violation of Education Code section 94911(j)(2).
- h. The institution failed to include a clear and consistent cancellation,
 withdrawal, and refund policy, in violation of Education Code section
 94909(a)(8)(B).
- i. The institution failed to provide a current reviewed financial statement completed by a licensed CPA in accordance with generally accepted accounting principles, in violation of 5 CCR 71240(b) and 71745(a)(1) through (a)(6).
- j. The institution failed to provide a complete copy of the lease, in violation of 5 CCR 71260(b).
- k. The institution failed to disclose whether or not they have entered into an articulation or transfer agreement with any other college or university, in violation of Education Code Section 94909(a)(8)(A).

1.	The institution failed to provide a description of all of the programs offered
	along with a description of the instruction provided in each of the courses
	offered, in violation of Education Code Section 94909(a)(5).

- m. The institution failed to provide a list of the requirements for eligibility for licensure, in violation of Education Code Section 94909(a)(6).
- n. The institution failed to include a statement disclosing that a student enrolled in an unaccredited institution is not eligible for federal financial aid programs, in violation of Education Code Section 94909(a)(16).
- o. The institution failed to provide a schedule of total charges for a period of attendance or an estimated schedule of total charges for the entire educational program, in violation of Education Code Section 94909(a)(9).
- p. The institution failed to provide their policies on student rights, including
 the procedure for addressing student grievances, in violation of 5 CCR
 71810(b)(14).
- q. The institution failed to provide information regarding the availability of housing located reasonably near the institution's facilities and an estimation of the approximate cost or range of cost of housing, in violation of 5 CCR 71810(b)(13)(B).
- r. The institution failed to provide School Performance Fact Sheets in the proper format and possessing all of the required information; specifically, the completion rate table, placement rate table, exam passage rate tables, annual salary and wage reported tables, and definitions and Bureau required statements, in violation of Education Code Section 94910 and 5 CCR 74112.
- s. The institution failed to provide a description of the self-monitoring procedures used to ensure that it maintained and operated in compliance with applicable laws, in violation of 5 CCR Sections 71320 and 71760.

ORDER

IT IS SO ORDERED that the application of Respondent Abebah Baughman, Owner, Selah Beauty Academy is hereby denied.

Pursuant to Government Code section 11520, subdivision (c), Respondent may serve a written motion requesting that the Decision be vacated and stating the grounds relied on within seven (7) days after service of the Decision on Respondent. The agency in its discretion may vacate the Decision and grant a hearing on a showing of good cause, as defined in the statute.

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This Decision shall become effective on

It is so ORDERED on June 26, 2018

Ryan Marcroft

Department of Consumer Affairs

Deputy Director Legal Affairs Division

Attachments:

Exhibit A: Statement of Issues No.1002344

Exhibit B: Office of Administrative Hearings Order of Remand

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