

BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY · GAVIN NEWSOM, GOVERNOR
DEPARTMENT OF CONSUMER AFFAIRS · BUREAU FOR PRIVATE POSTSECONDARY EDUCATION
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APPEAL OF CITATION INFORMAL CONFERENCE DECISION: CITATION MODIFIED

May 6, 2019

Richard Rossi, Owner Panamerican Learning Center 2225 W. Commonwealth Ave., Suite 103 Alhambra, CA 91803

Date of Issuance Citation Number Institution Code		
	3 ·	
May 6, 2019 1819115 50123433		 ** * * *

On February 28, 2019, an informal telephone conference was held in the matter of Citation: Order of Abatement No. 1819115 (Citation) against Richard Rossi, Owner of Panamerican Learning Center. In attendance were Beth Scott, Enforcement Chief; and Richard Rossi, Owner.

Pursuant to Business and Professions Code, section 125.9; California Education Code, section 94936; and Title 5 of the California Code of Regulations, section 75020 and section 75040, the Bureau for Private Postsecondary Education (Bureau) renders the following decision relative to your appeal of the Citation No. 1819115.

It is the decision of the Enforcement Chief that on March 25, 2019, Citation No. 1819115 is <u>modified</u> and makes the following change(s):

VIOLATION CODE SECTIONS

- # Below you will find the California Education Code (CEC) and/or Title 5 of the California Code of Regulations (5 CCR code) section(s) of law you are charged with violating.
- 1. CEC Section 94885(a)(6) and (9)- Minimum Operating Standards
 - "(a) The bureau shall adopt by regulation minimum operating standards for an institution that shall reasonably ensure that all of the following occur: [...]
 - (6) The institution is financially sound and capable of fulfilling its commitments to students. [...]
 - (9) The institution is maintained and operated in compliance with this chapter and all other applicable ordinances and laws."
 - 5, CCR Section 71745(a)(6)- Financial Resources.
 - "(a) The institution shall document that it has at all times sufficient assets and financial resources to do all of the following: [...]

(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 non-returnable 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."

For the reasons stated above, the Institution is in violation of these sections of law.

Order of Abatement:

The Bureau orders the Institution to:

- 1. Submit a detailed plan to address its financial shortfalls and to meet the ratio of current assets to current liabilities of 1.25 to 1.00 or greater at the end of the most recent fiscal year in accordance with 5, CCR 71745(a)(6).
- 2. In addition, please provide an explanation of all measures to be taken by the Institution to ensure it meets future financial responsibilities.
- 3. Please provide the Bureau with, in electronic format:
 - a) a roster of all currently enrolled students that includes the student (1) names, (2) addresses, (3) telephone numbers, (4) email addresses, (5) program in which they are enrolled, (6) date of enrollment, (7) total cost of the program and (8) the total amount the student has paid.

Modified Order of Abatement

The Bureau orders that the Institution submit financial statements that comply with 5, CCR Section 74115 (a)(b)(2)(3)(d).

Reason for modification: New substantive facts were presented at the conference.

Assessment of Fine

The fine for this violation is \$00.00

TOTAL ADMINISTRATIVE FINE DUE: \$00.00

ORDER OF ABATEMENT

The Bureau orders that you comply with the orders described in the 'Violation Code Sections' of this document and submit evidence of compliance within <u>30 days</u> from the date of this decision.

APPEAL OF CITATION

You *do not* have the right to request another Informal Conference to appeal this modified Citation. If you did not initially request an Administrative Hearing within 30 days from when the original citation was issued, you can no longer request one.

EFFECTIVE DATE OF CITATION AND FINE ASSESSMENT

This modified Citation is effective on May 6, 2019. The order of abatement is due by June 5, 2019.

Failure to abate the violation within the time allowed is grounds for denial of an application for an approval to operate or discipline. The Bureau will promptly take all appropriate action to enforce the modified Citation and recover the civil penalties prescribed therein or found to be due after a hearing.

CONTACT INFORMATION

Should you have any questions regarding this decision or desire further information, please contact Ray Delaney, Citation Analyst, at (916) 431-6946 or at Ray.Delaney@dca.ca.gov.

Christina Villanueva Discipline Manager

Date

Enclosures

Declaration of Service by Certified and First-Class Mail