



**APPEAL OF CITATION INFORMAL CONFERENCE**  
**DECISION: CITATION MODIFIED**

August 12, 2019

Bentley-Forbes Security Training Academy, Inc., Owner  
 Bentley-Forbes Security Training Academy, Inc.  
 15720 Ventura Boulevard, Suite 417  
 Encino, CA 91436

Date of Issuance	Citation Number	Institution Code
August 12, 2019	1819156	98908161

On July 8, 2019, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 1819156 (Citation) against Bentley-Forbes Security Training Academy, Inc., Owner of Bentley-Forbes Security Training Academy, Inc. (Institution). In attendance were Beth Scott, Enforcement Chief; and Daryl Williams, 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. 1819156.

It is the decision of the Enforcement Chief that on July 8, 2019, Citation No. 1819156 is modified 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.	<p><b>Violation:</b>  <b>5, CCR Section 71920(b)(9)(10) - Student Records</b>  <i>"(b) In addition to the requirements of section 94900, the file shall contain all of the following pertinent student records: [...]</i>  <i>(9) A document showing the total amount of money received from or on behalf of the student and the date or dates on which the money was received;</i></p>

*(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."*

On June 27, 2018, Bureau staff conducted a review of withdrawn student files and found that files were missing the documents showing the total refund made to the students. The Institution was unable to provide the documentation for the refund calculations for students who cancel or withdraw. D.W, Owner, explained to Bureau staff that the Institution works with agencies which provide tuition for the students. He stated these agencies will pay the tuition for a group of students in one payment and if the student cancels or withdraws the Institution notifies the agency and the agency has told the Institution to retain the funds as the funds are considered already paid and it will throw off their accounting ledger. The institution failed to provide the documentation to support this claim.

**Order of Abatement:**

The Bureau orders the Institution to submit to the Bureau the refund policy for the return of unearned institutional charges if the student cancels an enrollment agreement or withdraws during a period of attendance that complies with CEC section 94920(e). Also, the Institution shall submit to the Bureau a policy that complies with the Student Record keeping requirements, pursuant to 5, CCR section 71920(b)(9)(10).

**Modified Order of Abatement:**

The Bureau orders the Institution to provide documentation to verify the amount received on student's behalf reflects the number of hours attended.

**Assessment of Fine**

The fine for this violation is \$5,000.00

The administrative fine for this violation has been modified from \$5,000.00 to \$2,500.00

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

2. **MODIFIED**

**Violation:**

**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."

**5, CCR Section 74115(b)(2) – Financial Statements**

*"(b) A set of financial statements shall contain, at a minimum, a balance sheet, an income statement, and a cash flow statement, and the preparation of financial statements, shall comply with all of the following: [...]*

*(2) Financial statements prepared on an annual basis as required by section 74110(b) shall be prepared in accordance with the generally accepted accounting principles established by the American Institute of Certified Public Accountants. Nonprofit institutions shall provide annual financial statements as required under generally accepted accounting principles for nonprofit organizations."*

On June 27, 2018, the Bureau reviewed the Institution's financial statements for the year ending May 31, 2018. The Institution's ratio of -0.66, demonstrates that the Institution fails to maintain a ratio of current assets to current liabilities of 1.25 to 1.00 or greater.

**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 the Institution to:

1. Provide financial statements that comply with 5, CCR section 74115(b)(2) or
2. 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 section 71745(a)(6).
3. In addition, provide an explanation of all measures to be taken by the Institution to ensure it meets future financial responsibilities.

4. 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.

**Assessment of Fine**

The fine for this violation is \$00.00

**TOTAL MODIFIED ADMINISTRATIVE FINE DUE: \$2,500.00**

**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 30 days from the date of this decision.**

**PENALTY – ASSESSMENT OF A FINE**

**Payment of the administrative fine is due within 30 days from the date of this decision.** Please complete the Payment of Fine form. Payment must be made to the Bureau by check, or money order. Please include the citation number on the payment of the fine assessment. Payment of the administrative fine shall not constitute an admission of the violation(s) charged and shall be represented as satisfactory resolution of the matter for purposes of public disclosure. Payments may be mailed to:

Ray Delaney, Discipline Citation Program  
Bureau for Private Postsecondary Education  
2535 Capitol Oaks Drive, Suite 400  
Sacramento, CA 95833

**APPEAL OF CITATION**

You *do not* have the right to request another Informal Conference to appeal this modified Citation. You *do*, however, have the right to appeal this modified Citation through an Administrative Hearing. A hearing before an Administrative Law Judge will be scheduled and you will be notified of the hearing date. The hearing will be held pursuant to Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

If you do not wish to appeal this modified Citation you must withdraw your initial request for an Administrative Hearing. Please complete and mail the enclosed Withdrawal – Request for Administrative Hearing within **30 Days** of the date of this decision.

**EFFECTIVE DATE OF CITATION AND FINE ASSESSMENT**

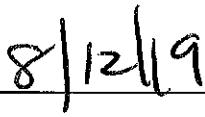
This modified Citation is effective on August 12, 2019. The order of abatement and payment are due by **September 11, 2019**.

Failure to abate the violation or to pay the administrative fine 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](mailto:Ray.Delaney@dca.ca.gov).

  
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Christina Villanueva  
Discipline Manager

  
\_\_\_\_\_  
Date

Enclosures

- Payment of Fine – Waiver of Appeal Rights
- Withdrawal- Request for Administrative Hearing
- Declaration of Service by Certified and First-Class Mail