



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

To: Kieu Vo, Owner
Q International School
1770 4th Ave
San Diego, CA, 92101

INSTITUTION CODE: 3708141

CITATION NUMBER: 1920235

CITATION ISSUANCE/SERVICE DATE: February 25, 2020

DUE DATE: March 26, 2020

FINE AMOUNT: \$ 8,001.00

ORDER OF ABATEMENT INCLUDED: Yes

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

CITATION

A Citation is hereby issued to Kieu Vo, Owner of Q International School (Institution) located at 1770 4th Ave, San Diego, CA, 92101, pursuant to Business and Professions Code section 125.9; California Education Code (CEC) sections 94936 and 94932; and Title 5 of the California Code of Regulations (5, CCR) section 75020 for the violations described below.

BACKGROUND

On June 18, 2019, Bureau staff conducted an unannounced Compliance inspection at the Institution. The Institution representatives were unable to provide the supporting documentation for the 4th quarter 2018 and 1st quarter 2019 Student Tuition Recovery Fund (STRF). The Institution representative stated that they were unaware of the requirement to collect supporting documentation for ESL students

Bureau staff also reviewed student files and found that the files were missing signed School Performance Facts Sheets (SPFS) and high school diplomas or an ability-to-benefit (ATB) test. The Institution representatives stated that as all the students are international students, they did not know the requirement applied. The Institution representatives stated the SPFS are provided to students during the enrollment process, however they do not require the student and Institution to sign and date the SPFS. Bureau staff requested and reviewed the supporting documentation for the 2015-2016 SPFS and found that the supporting documentation only included a list of student numbers and class courses. The Institution representative stated that the institution did not know they were required to maintain required data points listed in 5, CCR Section 74112 (m)(1-9).

Additionally, Bureau staff determined that the Institution's ratio for current assets to current liabilities was 0.72 and do not meet the required 1.25 to 1 or greater.

VIOLATION

#	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><u>Violation:</u> 5, CCR Section 76140(a)(1-13) Record-Keeping Requirements <i>“(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:</i> <i>(1) Student identification number,</i> <i>(2) First and last names,</i> <i>(3) Email address,</i> <i>(4) Local or mailing address,</i> <i>(5) Address at the time of enrollment,</i> <i>(6) Home address,</i> <i>(7) Date enrollment agreement signed,</i> <i>(8) Courses and course costs,</i> <i>(9) Amount of STRF assessment collected,</i> <i>(10) Quarter in which the STRF assessment was remitted to the Bureau,</i> <i>(11) Third-party payer identifying information,</i> <i>(12) Total institutional charges charged, and</i> <i>(13) Total institutional charges paid.”</i></p> <p style="color: red;">The Institution failed to collect and maintain the supporting documentation for the 4th quarter of 2018 STRF reporting period, and the supporting documentation for the 1st quarter of 2019 STRF.</p> <p><u>Order of Abatement:</u> The Bureau orders the Institution to submit a policy, or procedure, of how the Institution will maintain compliance with 5, CCR sections 76140 and</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$500.00</u></p>
2.	<p><u>Violation:</u> 5, CCR Section 71770 (a)(1) – Admissions Standards and Transferred Credits Policy <i>(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:</i> <i>(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.</i></p> <p>5, CCR Section 71920 (a)(b)(1)(A) – Student Records <i>(a) The institution shall maintain a file for each student who enrolls in the institution whether or not the student completes the educational service.</i> <i>(b) In addition to the requirements of section 94900, the file shall contain all of the following pertinent student records:</i> <i>(1) Written records and transcripts of any formal education or training, testing, or experience that are relevant to the student's qualifications for admission to the institution or the institution's award of credit or acceptance of transfer credits including the following:</i></p>

	<p><i>(A) Verification of high school completion or equivalency or other documentation establishing the student's ability to do college level work, such as successful completion of an ability-to-benefit test;</i></p> <p>Violation: 5, CCR Section 71770 (a)(1): The Institution failed to establish specific written admissions standards and has not been requiring High School Diplomas or ATB exams of students enrolling.</p> <p>Violation: 5, CCR Section 71920 (a)(b)(1)(A): Student files failed to include verification of high school completion or equivalency or other documentation establishing the student's ability to do college level work, such as successful completion of an ATB test.</p> <p><u>Order of Abatement:</u> The Bureau orders the Institution to submit a policy or procedure of how the Institution will maintain future compliance with 5, CCR sections 71770 (a)(1) and 71920.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$1501.00</u></p>
3.	<p><u>Violation:</u> CEC Section 94902 – General Enrollment Requirements <i>(b) An enrollment agreement is not enforceable unless all of the following requirements are met:</i> <i>(1) The student has received the institution's catalog and School Performance Fact Sheet prior to signing the enrollment agreement.</i> <i>(3) Prior to the execution of the enrollment agreement, the student and the institution have signed and dated the information required to be disclosed in the Student Performance Fact Sheet pursuant to subdivisions (a) to (d), inclusive, of Section 94910. Each of these items in the Student Performance Fact Sheet shall include a line for the student to initial and shall be initialed and dated by the student.</i></p> <p>CEC 94912 – Signature, Initials Required <i>Prior to the execution of an enrollment agreement, the information required to be disclosed pursuant to subdivisions (a) to (d), inclusive, of Section 94910 shall be signed and dated by the institution and the student. Each of these items shall also be initialed and dated by the student.</i></p> <p>The Institution failed to require the student and Institution to sign and date the SPFS prior to the execution of the enrollment agreement.</p> <p><u>Order of Abatement:</u> The Bureau orders the Institution to submit a written policy on how the Institution will maintain future compliance with CEC Sections 94902 and 94912.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$1000.00</u></p>
4.	<p><u>Violation:</u> CEC Section 94885(a)(6) and (9)– Minimum Operating Standards <i>“(a) The bureau shall adopt by regulation minimum operating standards for an institution that shall reasonably ensure that all of the following occur: [...]</i> <i>(6) The institution is financially sound and capable of fulfilling its commitments to students. [...]</i> <i>(9) The institution is maintained and operated in compliance with this chapter and all other applicable ordinances and laws.”</i></p> <p>5, CCR Section 71745(a)(6)- 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: [...]

(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.”

The Institution’s ratio for current assets to current liabilities was 0.72 to 1 and does not meet the required 1.25 to 1 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 section 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.

Assessment of Fine

The fine for this violation is \$00.00

5.

Violation:

5, CCR Section 74112(m) (1-9) Uniform Data – Annual Report, Performance Fact Sheet

“(m) Documentation supporting all data reported shall be maintained electronically by the institution for at least five years from the last time the data was included in either an Annual Report or a Performance Fact Sheet, and shall be provided to the Bureau upon request; and the data for each program shall include at a minimum:

- (1) the list of job classifications determined to be considered gainful employment for the educational program;*
- (2) student name(s), address, phone number, email address, program completed, program start date, scheduled completion date, and actual completion dates;*
- (3) graduate’s place of employment and position, date employment began, date employment ended, if applicable, actual salary, hours per week, and the date employment was verified;*
- (4) for each employer from which employment or salary information was obtained, the employer name(s) address and general phone number, the contact person at the employer and the contact’s phone number and email address, and all written communication with employer verifying student’s employment or salary;*
- (5) for students who become self-employed, all documentation necessary to demonstrate self-employment;*
- (6) a description of all attempts to contact each student. or employer;*

(7) any and all documentation used to provide data regarding license examinations and examination results;
(8) for each student determined to be unavailable for graduation or unavailable for employment, the identity of the student, the type of unavailability, the dates of unavailability, and the documentation of the unavailability; and
(9) the name, email address, phone number, and position or title of the institution's representative who was 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.

The Institution failed to collect all of the supporting documentation for the 2015-2016 SPFS per 5, CCR Section 74112 (m)(1-9).

Order of Abatement:

The Bureau orders the Institution to provide a policy, or procedure, of how all required supporting documentation for the SPFS will be maintained for compliance of 5, CCR sections 74112 (m)(1-9).

Assessment of Fine

The fine for this violation is \$5,000.00

TOTAL ADMINISTRATIVE FINE DUE: \$8,001.00

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 **\$8,001.00** for the violations described above.

Payment must be made, to the Bureau, within 30 days from the date of service of the Citation.

COMPLIANCE WITH 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 **March 26, 2020**, 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 **February 25, 2020**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **March 26, 2020**. 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:

Cheryl Lardizabal, Discipline Citation Program
Bureau for Private Postsecondary Education
1747 N. Market Blvd., Suite 225
Sacramento, CA 95834

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 Cheryl Lardizabal, Citation Analyst, at (916) 574-8968 or Cheryl.Lardizabal@dca.ca.gov.

“Original signature on file”

“2/25/2020”

Christina Villanueva
Discipline Manager

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
- Payment of Fine – Waiver of Appeal
- Declaration of Service by Certified and First- Class Mail