



Bureau for Private Postsecondary Education
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APPEAL OF CITATION INFORMAL CONFERENCE
DECISION: CITATION MODIFIED

September 4, 2020

Careda, Owner
United Medical Institute
5280 Auburn Boulevard
Sacramento, CA 95841

Date of Issuance	Citation Number	Institution Code
September 4, 2020	1920296	90323820

On July 23, 2020, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 1920296 (Citation) against Careda, Owner of United Medical Institute (Institution). In attendance were Leeza Rifredi, Deputy Bureau Chief, Doug Smith, Department of Consumer Affairs Legal Counsel, Dr. Inna Lisker, President/CEO, and Keith Zakarin, Attorney.

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. 1920296.

It is the decision of the Deputy Bureau Chief that on July 29, 2020, Citation No. 1920296 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>Violation: 5, CCR Section 71750 (a)(b)(c)(1)(2)(3) – Withdrawals and Refunds <i>(a) Every institution shall make refunds that are no less than the refunds required under the Act and this Division.</i> <i>(b) An institution may not enforce any refund policy that is not specified in the catalog as required pursuant to section 94909(a)(8)(B) of the Code, and must refund all institutional charges upon a student's withdrawal. Withdrawal policy procedures pursuant to section 94909(a)((8)(B) of the Code shall include, at a minimum: the acceptable methods of delivery of a notice to withdraw; whether withdrawal can be accomplished by conduct, and if so, how; the position or positions to whom the notice to withdraw must be delivered; and the date that the notice to withdraw is considered effective, which shall be no later than the date received by the institution.</i> <i>(c) A pro rata refund pursuant to section 94919(c) or 94920(d) or 94927 of the Code shall be no less than the total amount owed by the student for the portion of the educational program provided subtracted from the amount paid by the student, calculated as follows:</i> <i>(1) The amount owed equals the daily charge for the program (total institutional charge, divided by</i></p>

the number of days or hours in the program), multiplied by the number of days student attended, or was scheduled to attend, prior to withdrawal.
(2) Except as provided for in subdivision (a)(3) of this section, all amounts paid by the student in excess of what is owed as calculated in subdivision (a)(1) shall be refunded.
(3) Except as provided herein, all amounts that the student has paid shall be subject to refund unless the enrollment agreement and the refund policy outlined in the catalog specify amounts paid for an application fee or deposit not more than \$250.00, books, supplies, or equipment, and specify whether and under what circumstances those amounts are non-refundable. Except when an institution provides a 100% refund pursuant to section 94919(d) or section 94920(b) of the Code, any assessment paid pursuant to section 94923 of the Code is non-refundable.

The Institution was issued Citation No. 1718033 on May 9, 2018 for failing to comply with 5, CCR section 71920 and subsequently came into compliance. On January 15, 2019, the Bureau found that the Institution failed to properly refund students, A.Z. and L.D., in accordance with the pro rata refund per 5, CCR section 71750 (c)(1)(2)(3). The Institution failed to calculate the total institutional charges divided by the hours in the program and failed to input the correct program hours resulting in incorrect refunds.

Order of Abatement:

The Bureau orders the Institution to provide a refund to students A.Z and L.D. and provide proof of refund to the Bureau. In addition, the Bureau orders that the Institution submit an established policy, or procedure, of how the Institution will maintain future compliance with 5, CCR section 71750.

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

New Order of Abatement:

The Bureau orders the Institution to submit the proof of refund and/or attempts to locate students to provide refunds to.

Assessment of Fine

The fine for this violation is \$5000.00

The administrative fine for this violation has been modified from \$5,000.00 to \$1,000.00.

2.

Violation:

5, CCR Section 71800 (f) – Enrollment Agreement

In addition to the requirements of section 94911 of the Code, an institution shall provide to each student an enrollment agreement that contains at the least the following information:

(f) Charges paid to an entity other than an institution that is specifically required for participation in the educational program.

CEC Section 94911(a) – Minimum Requirement for Enrollment Agreements

“An enrollment agreement shall include, at a minimum, all of the following:

(c) In underlined capital letters on the same page of the enrollment agreement in which the student’s signature is required, the total charges for the current period of attendance, the estimated total charges for the entire educational program, and the total charges the student is obligated to pay upon enrollment.

The enrollment agreement failed to contain the cost of textbooks purchased from an entity other

than the Institution. Students were provided a list of books that were required for participation in the education program, however, the students were informed by the instructor that one of the books was no longer being used.

Order of Abatement:

The Bureau orders the Institution to submit an established policy, or procedure, of how the Institution will maintain future compliance with 5, CCR section 71800 and CEC section 94911.

Reason for modification: New substantive facts were presented at the conference. The Order of Abatement has been satisfied.

Assessment of Fine

The fine for this violation is \$1,000.00

The administrative fine for this violation has been modified from \$1,000.00 to \$500.00.

TOTAL MODIFIED ADMINISTRATIVE FINE DUE: \$1,500.00

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:

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

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 affirmed or 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, if one was made. 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 **September 4, 2020**. The Order of Abatement and payment are due by **October 4, 2020**.

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

If you have any questions regarding this decision or desire further information, please contact Cheryl Lardizabal, Citation Analyst, at (916) 574-8968 or at Cheryl.Lardizabal@dca.ca.gov.

“Original signature on file”

“9/4/2020”

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