



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

To: Christopher Becker, Owner
New School of Cooking
8690 Washington Boulevard
Culver City, CA 90232

INSTITUTION CODE: 29369850

CITATION NUMBER: 2021219

CITATION ISSUANCE/SERVICE DATE: April 8, 2021

DUE DATE: May 8, 2021

FINE AMOUNT: \$ 15,050.00

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 Chris Becker, Owner of New School of Cooking (Institution) located at 8690 Washington Boulevard, Culver City, CA, 90232, 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 May 22, 2020, the Bureau received a complaint alleging that the Institution was requiring students to pay the full balance of their tuition in order to receive their diploma despite the fact that classes were not being offered since March 2020 due to school closure during the COVID-19 Pandemic.

As a result of the investigation, Bureau staff found the Institution to be in violation of the following material violations: not following Bureau procedures prior to closing, not providing students with teach-out plans, being in default of the enrollment agreement, not providing the Bureau with records information prior to closing, and prohibited business practices.

In addition, all institutions are required to submit a Student Tuition Recovery Fund (STRF) Assessment Reporting Form to the Bureau no later than the last day of the month following the close of the quarter.

Pursuant to CEC section 94923(a) The Student Tuition Recovery Fund relieves or mitigates economic loss suffered by a student while enrolled in an institution not exempt from this article pursuant to Article 4 (commencing with section 94874), who, at the time of his or her enrollment, was a California resident or was enrolled in a California residency program, prepaid tuition, and suffered economic loss.

The Bureau sends notifications/reminders to all approved institutions 30 days prior to close of each quarter.

As of April 8, 2021, the Institution has not submitted the STRF Assessment Reporting Forms for the 3rd and 4th quarters of 2020.

Lastly, all institutions are required to pay annual fee within 30 days of the date on which the Institution originally receives its approval to operate and each year thereafter on the anniversary of the date of the original approval. An institution shall pay its annual fee in addition to any other applicable fees.

Pursuant to CEC section 94930.5 (g). effective July 1, 2018, the annual fee for each campus described in subparagraphs (A) and (B) of paragraph (1) of subdivision (d) shall be in an amount equal to 0.55 percent of that campus' total gross revenue derived from students in California, but not to be less than two thousand five hundred dollars (\$2,500) and not to exceed sixty thousand dollars (\$60,000) for each campus.

As of April 8, 2021, the Bureau has not received the annual fee, nor the late payment penalty for the 2020 calendar year from the Institution.

VIOLATION(S)

#	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: CEC Section 94926 (a)(b)(c)(d) – Procedures Prior to Closing, Teach-Out Plans <i>“At least 30 days prior to closing, the institution shall notify the bureau in writing of its intention to close. The notice shall be accompanied by a closure plan, which shall include, but not necessarily be limited to, all of the following:</i> <i>(a) A plan for providing teach-outs of educational programs, including any agreements with any other postsecondary educational institutions to provide teach-outs.</i> <i>(b) If no teach-out plan is contemplated, or for students who do not wish to participate in a teach-out, arrangements for making refunds within 45 days from the date of closure, or for institutions that participate in federal student financial aid programs arrangements for making refunds and returning federal student financial aid program funds.</i> <i>(c) If the institution is a participant in federal student financial aid programs, it shall provide students information concerning these programs and institutional closures.</i> <i>(d) A plan for the disposition of student records.”</i></p> <p>5, CCR Section 76240 (a)(5) – Required Notices and Teach-Out Plan <i>“All institutions, including those exempt from Bureau regulation pursuant to the Code, shall do the following prior to closing:</i> <i>(a) At least 30 days prior to closing, the institution shall notify the Bureau in writing of its intention to close and provide a closure plan. The closure plan shall include:</i> <i>(5) A plan for the disposition of student records.”</i></p> <p>Bureau staff found that that the Institution did not provide the Bureau with prior notice of closure, plans for teach-outs, refund arrangements, or for the disposition of students records prior to closing the Institution on May 31, 2020.</p>

	<p><u>Order of Abatement:</u> The Bureau orders that the institution provide the Bureau with a complete school closure plan in accordance with CEC section 94926(a)(b)(c)(d) and 5, CCR section 76240(a)(5). In addition, the Bureau orders the Institution to issue refunds of all institutional charges to all students affected by the closure within 45 days of the issued Citation. The Institution must provide the Bureau with the roster of each student. The roster must include the name of the student, their contact information (including phone number, email address, and physical address) the date of enrollment, the amount paid for the program, the amount the student was refunded and proof of refund.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$5,000.00</u></p>
2.	<p>CEC Section 94927 – Institutions in Default of Enrollment Agreement <i>“An institution shall be considered in default of the enrollment agreement when an educational program is discontinued or canceled or the institution closes prior to completion of the educational program. When an institution is in default, student institutional charges may be refunded on a pro rata basis if the bureau determines that the school has made provision for students enrolled at the time of default to complete a comparable educational program at another institution at no additional charge to the students beyond the amount of the total charges in the original enrollment agreement. If the institution does not make that provision, a total refund of all institutional charges shall be made to students.”</i></p> <p>Bureau staff found that the Institution ceased all instruction prior to allowing enrolled students to complete their program.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$5,000.00</u></p>
3.	<p>CEC Section 94927.5 (a)(1) – Provision of Records to Bureau Prior to Closing <i>“(a) Prior to closing, an institution shall provide the bureau with the following: (1) Copies of pertinent student records, including transcripts, in hardcopy or electronic form, as determined by the bureau, pursuant to regulations adopted by the bureau.”</i></p> <p>The Institution did not provide the Bureau with student records or a plan of retention of student records prior to closing the Institution on May 31, 2020.</p> <p><u>Order of Abatement:</u> The Bureau orders that the Institution provide the Bureau with the plan of retention of student records, and information on how students may obtain their records as required by CEC section 94927.5 (a)(1).</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$2,500.00</u></p>
4.	<p>CEC Section 94897(j)(1)(2)(3)(k) – Prohibited Business Practices An institution shall not do any of the following: <i>“(j) In any manner make an untrue or misleading change in, or untrue or misleading statement related to, a test score, grade or record of grades, attendance record, record indicating student completion, placement, employment, salaries, or financial information, including any of the following: (1) A financial report filed with the bureau. (2) Information or records relating to the student’s eligibility for student financial aid at the institution. (3) Any other record or document required by this chapter or by the bureau. (k) Willfully</i></p>

falsify, destroy, or conceal any document of record while that document of record is required to be maintained by this chapter.”

Bureau staff reviewed email correspondence between students and Institution staff dated May 29, 2020, that stated the Institution would be mailing diplomas to the students. Bureau staff reviewed the diploma received by mail and found that the diploma was signed by two Institution staff members, dated on April 15, 2020. As a result, Bureau staff found that the diploma falsely makes an untrue and misleading statement regarding the student’s completion of the program that they were enrolled in. Therefore, the Institution falsified the student’s diploma to show that they completed the program.

Assessment of Fine

The fine for this violation is \$2,500.00

5.

Violation:

5, CCR Section 76130 (a-e)– Collection and Submission of Assessments

“(a) A qualifying institution shall collect the assessment from each student in an educational program at the time it collects the first payment from or on behalf of the student at or after enrollment. The assessment shall be collected for the entire period of enrollment, regardless of whether the student pays the institutional charges in increments.

(b) A qualifying institution shall complete the STRF Assessment Reporting Form (Rev. 2/10) and remit it with the STRF assessments collected from students to be received by the Bureau no later than the last day of the month following the close of the quarter as follows:

(1) April 30 for the first quarter,

(2) July 31 for the second quarter,

(3) October 31 for the third quarter, and

(4) January 31 for the fourth quarter. If the due date falls on a Saturday, Sunday or State or federal holiday, the due date shall be extended to the next regular business day for the Bureau.

If the due date falls on a Saturday, Sunday, or State or federal holiday, the due date shall be extended to the next regular business day for the Bureau.

(c) The STRF Assessment Reporting Form shall contain the following information:

(1) Total number of students who signed enrollment agreements for educational programs during the reporting period; and

(2) Total number of students eligible for STRF who signed enrollment agreements for educational programs during the reporting period; and

(3) The total number of students who signed their enrollment agreement during the reporting period, were eligible for STRF, and who made their first payment during the reporting period; and

(4) The total number of students who signed their enrollment agreement in a previous reporting period, were eligible for STRF, and who made their first payment during the current reporting period; and

(5) Total amount of institutional charges after rounding each student's institutional charges to the nearest \$1,000, for all eligible STRF students whose STRF assessment was collected in the reporting period; and

(6) Current contact telephone number of the person preparing the form; and

(7) A declaration dated and signed under penalty of perjury by the person preparing the form that the form and any attachments are true and correct.

(d) In the event of a school closure, any collected assessments shall be remitted to the Bureau within seven days following the cessation of instruction.

(e) Submission of all prior reports and assessments required by this section is a condition of renewal.”

The Institution has failed to submit STRF Assessment Reporting Forms for the following quarters:

- Third and Fourth Quarters of 2020

On September 18, 2020, the Institution was notified via mail at 817 Stratford Avenue, South Pasadena, CA 91030, that the STRF Assessment Reporting Form for the 3rd quarter of 2020 was due. As of April 1, 2021, the Bureau has not received the STRF Assessment Reporting Form from the Institution.

On December 14, 2020, the Institution was notified via mail at 817 Stratford Avenue, South Pasadena, CA 91030, that the STRF Assessment Reporting Form for the 4th quarter of 2020 was due. As of April 1, 2021, the Bureau has not received the STRF Assessment Reporting Form from the Institution.

Order of Abatement:

The Bureau orders that the Institution submit the delinquent STRF Assessment Reporting Forms with the STRF Assessments collected from students for the quarters listed above. The information provided shall comply with "Record Keeping Requirements" Pursuant to 5, CCR section 76140.

Assessment of Fine

The fine for this violation is \$50.00

6.

Violation:

5, CCR Section 74006(a) and (b) - Annual Fee

"(a) An institution's annual fee is due within 30 days of the date on which the institution originally receives its approval to operate and each year thereafter on the anniversary of the date of the original approval. (b) An institution shall pay its annual fee in addition to any other applicable fees."

CEC Section 94930.5 (g)- Fee Schedule

"(g) Notwithstanding subdivision (d), effective July 1, 2018, the annual fee for each campus described in subparagraphs (A) and (B) of paragraph (1) of subdivision (d) shall be in an amount equal to 0.55 percent of that campus' total gross revenue derived from students in California, but not to be less than two thousand five hundred dollars (\$2,500) and not to exceed sixty thousand dollars (\$60,000) for each campus."

CEC Section 94931(b)- Late Payment

"(b) A fee that is not paid on or before the 90th calendar day after the due date for payment of the fee shall be subject to a 35 percent late payment penalty fee."

The Institution has failed to pay its annual fee and late payment penalty for calendar year 2019.

On September 1, 2020, the Institution was notified, Invoice # 900352203, via mail at 817 Stratford Avenue, South Pasadena, CA 91030, stating that the annual fee for calendar year 2020 was due on October 1, 2020.

On November 16, 2020, the Institution was notified, Invoice # 900353951, via mail at 817 Stratford Avenue, South Pasadena, CA 91030, stating that the annual fee for calendar year 2020 was due on October 1, 2020.

On January 15, 2021, the Institution was notified, Invoice # 900353951, via mail at 817 Stratford Avenue, South Pasadena, CA 91030, stating that the annual fee for calendar year 2020 was due on

	<p>October 1, 2020.</p> <p>As of April 1, 2021, the Bureau has not received the annual fee from the Institution.</p> <p><u>Order of Abatement:</u> The Bureau orders the Institution to submit its annual fees for calendar year 2019 in accordance with 5, CCR section 74006(a)(b) and CEC section 94930.5(g). In addition, the Institution must pay all late payment penalty fees.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$00.00</u></p>
TOTAL ADMINISTRATIVE FINE DUE: \$15,050.00	

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 **\$15,050.00** 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 **May 8, 2021**, 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 **April 8, 2021**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **May 8, 2021**. 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:

Gabriella Perez, 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 Gabriella Perez, Citation Analyst, at (916) 574-8969 or Gabriella.Perez@dca.ca.gov.

“Original signature on file”

“4/8/2021”

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