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8 **BEFORE THE**
9 **DEPARTMENT OF CONSUMER AFFAIRS**
10 **FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION**
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. BPPE24-1205

13 **UNIVERSITY OF PASADENA**
19401 South Vermont Ave., Ste. D202
Torrance, CA 90502

ACCUSATION

14 **Approval to Operate Institution Code**
15 **No. 54602740,**

16 Respondent.

17
18 **PARTIES**

19 1. Deborah Cochrane (Complainant) brings this Accusation solely in her official
20 capacity as the Chief of the Bureau for Private Postsecondary Education, Department of
21 Consumer Affairs.

22 2. On or about November 20, 2015, the Bureau for Private Postsecondary Education
23 (Bureau) issued an Institution Code Number 54602740 (Approval to Operate) to University of
24 Pasadena (Respondent), owned by Fuji International Limited. Respondent was approved to offer
25 a Master of Arts in Education and Master of Science in General Engineering. The Approval to
26 Operate was in full force and effect at all times relevant to the charges brought herein and will
27 expire on August 23, 2028, unless renewed.
28

JURISDICTION

3. This Accusation is brought before the Director of the Department of Consumer Affairs (Director) for the Bureau, under the authority of the following laws. All section references are to the Education Code (Code) unless otherwise indicated.

4. Section 94932 of the Code states:

The bureau shall determine an institution's compliance with the requirements of this chapter. The bureau shall have the power to require reports that institutions shall file with the bureau in addition to the annual report, to send staff to an institution's sites, and to require documents and responses from an institution to monitor compliance. When the bureau has reason to believe that an institution may be out of compliance, it shall conduct an investigation of the institution. If the bureau determines, after completing an investigation, that an institution has violated any applicable law or regulation, the bureau shall take appropriate action pursuant to this article.

STATUTORY PROVISIONS

5. Section 94930.5, subdivision (g), of the Code states:

(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.

6. Section 94931 of the Code states:

(a) A fee that is not paid on or before the 30th calendar day after the due date for the payment of the fee shall be subject to a 25 percent late payment penalty fee.

(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.

7. Section 94933 of the Code states:

The bureau shall provide an institution with the opportunity to remedy noncompliance, impose fines, place the institution on probation, or suspend or revoke the institution's approval to operate, in accordance with this article, as it deems appropriate based on the severity of an institution's violations of this chapter, and the harm that results or may result to students.

8. Section 94934 of the Code states:

(a) As part of the compliance program, an institution shall submit an annual report to the bureau, under penalty of perjury, signed by a responsible corporate officer, by July 1 of each year, or another date designated by the bureau, and it shall include the following information for educational programs offered in the reporting period:

(1) The total number of students enrolled by level of degree or for a diploma.

- (2) The number of degrees, by level, and diplomas awarded.
- (3) The degree levels and diplomas offered.
- (4) The School Performance Fact Sheet, as required pursuant to Section 94910.
- (5) The school catalog, as required pursuant to Section 94909.
- (6) The total charges for each educational program by period of attendance.
- (7) A statement indicating whether the institution is, or is not, current in remitting Student Tuition Recovery Fund assessments.
- (8) A statement indicating whether an accrediting agency has taken any final disciplinary action against the institution.
- (9) Additional information deemed by the bureau to be reasonably required to ascertain compliance with this chapter.
- (b) The bureau, by January 1, 2011, shall prescribe the annual report's format and method of delivery.

....

9. Section 94936, subdivision (a), of the Code states:

(a) As a consequence of an investigation, which may incorporate any materials obtained or produced in connection with a compliance inspection, and upon a finding that the institution has committed a violation of this chapter or that the institution has failed to comply with a notice to comply pursuant to Section 94935, the bureau shall issue a citation to an institution for violation of this chapter, or regulations adopted pursuant to this chapter.

(b) The citation may contain any of the following:

(1) An order of abatement that may require an institution to demonstrate how future compliance with this chapter or regulations adopted pursuant to this chapter will be accomplished.

(2) Notwithstanding Section 125.9 of the Business and Professions Code, an administrative fine not to exceed five thousand dollars (\$5,000) for each violation. The bureau shall base its assessment of the administrative fine on:

- (A) The nature and seriousness of the violation.
- (B) The persistence of the violation.
- (C) The good faith of the institution.
- (D) The history of previous violations.
- (E) The purposes of this chapter.
- (F) The potential harm to students.

(3) An order to compensate students for harm that resulted or may have resulted, including a refund of moneys paid to the institution by or on behalf of the student, as determined by the bureau.

(c)(1) The citation shall be in writing and describe the nature of the violation and the specific provision of law or regulation that is alleged to have been violated.

(2) The citation shall inform the institution of its right to request a hearing in writing within 30 days from service of the citation.

(3) If a hearing is requested, the bureau shall select an informal hearing pursuant to Article 10 (commencing with Section 11445.10) of Chapter 4.5 of Part 1 of Division 3 of Title 2 of the Government Code or a formal hearing pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(4) If a hearing is not requested, payment of the administrative fine is due 30 days from the date of service, and shall not constitute an admission of the violation charged.

(5) If a hearing is conducted and payment of an administrative fine is ordered, the administrative fine is due 30 days from when the final order is entered.

(6) The bureau may enforce the administrative fine as if it were a money judgment pursuant to Title 9 (commencing with Section 680.010) of Part 2 of the Code of Civil Procedure.

(d) All administrative fines shall be deposited in the Private Postsecondary Education Administration Fund.

REGULATORY PROVISIONS

10. California Code of Regulations, title 5, section 71930, subdivision (e), states:

(e) All records that the institution is required to maintain by the Act or this chapter shall be made immediately available by the institution for inspection and copying during normal business hours by the Bureau and any entity authorized to conduct investigations.

11. California Code of Regulations, title 5, section 74000, states:

(a) An institution shall pay the fees established by Article 17 of the Act. A failure to include a fee with an application or other request renders the application or request incomplete.

(b) All fees lawfully collected are non-refundable.

(c) A fee that is not paid timely is subject to penalty as set forth in section 94931 of the Code.

(d) The Bureau shall deny a renewal of an approval to operate if the institution fails to submit at the time it files its application for renewal of an approval to operate: all unpaid fees; penalty fees; penalties; orders for reimbursement of costs and expenses; and assessments for, and reimbursement of all payments made to students from, the Student Tuition Recovery Fund.

1 (e)(1) If an institution fails to pay any fee and any penalty fees timely, the
2 Bureau may initiate proceedings to revoke the institution's approval to operate for
failure to pay fees.

3 (2) Any proceeding to revoke an institution's approval to operate is subject to
4 the provisions of Chapter 5 of the Administrative Procedures Act. If a hearing is
requested, it shall be limited to the issues of whether any fee or penalty was owed
5 and, if so, whether the fee or penalty were paid when originally due.

6 (3) The procedure specified in this subdivision is cumulative to any other right
or remedy the Bureau may invoke against an institution which fails to pay its annual
7 fee or a penalty fee when originally due. Nothing in this subdivision restricts the
Bureau's authority to bring other administrative or judicial action against an
8 institution that fails to pay its fees when due.

9 (4) An institution whose approval to operate was revoked because of
nonpayment of an annual fee or penalty fee may seek to obtain approval to operate
10 only by filing an application for a new approval to operate.

11 12. California Code of Regulations, title 5, section 74006 states:

12 (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
13 anniversary of the date of the original approval.

14 (b) An institution shall pay its annual fee in addition to any other applicable
fees.

15 (c) The annual institutional fee is based on the institution's annual revenue. For
purposes of this article, annual revenue is annual gross revenue.

16 13. California Code of Regulations, title 5, section 74110 states:

17 (a) The annual report required by Section 94934 of the Code shall include the
18 information required by this section, subsections (f) through (j) of section 74112, and
sections 94929.5 and 94934 of the Code for all educational programs offered in the
19 prior calendar year, and all of the following for the prior calendar year:

20 (1) Information regarding institutional branch campuses, including addresses
and programs offered at each campus, if applicable;

21 (2) Information regarding satellite locations, including addresses and with
22 which campus(es) the satellite location is affiliated, if applicable;

23 (3) Name of institutional accreditors for each branch and satellite campus, and
for each such campus at which any programs have programmatic accreditation, the
24 names of the programmatic accreditor for each such program, and effective dates for
each programmatic accreditation, if applicable;

25 (4) Information regarding participation in state and federal student loan and
26 grant programs, including the total amount of funding received from each source for
those students enrolled in an approved California school regardless of their state of
27 residency;

28 (5) Information regarding participation in other public funding programs,

including the amount of funding received from each public funding source; for purposes of this section, public funding is any financial aid paid on behalf of students or directly to an institution from any public source, such as the Workforce Investment Act, any veterans' financial aid programs pursuant to Section 21.4253 of Title 38 of the Code of Federal Regulations or any other financial aid program that is intended to help students pay education-related expenses, including tuition, fees, room and board, and supplies for education;

(6) The total percentage of institutional income that comes from any public funding sources; and

(7) A blank copy of the institution's enrollment agreement and the catalog for the reporting year.

(b) In addition to the information required by section 94934 of the Code and this section provided under penalty of perjury, the institution shall have annual financial statements prepared for the institution's prior fiscal year and signed under penalty of perjury, and shall submit a hard copy under separate cover of such statements in conjunction with its annual report. The form, content and mode of preparation of financial statements shall comply with Section 74115 of this Division. The Bureau may request that the institution immediately make available for inspection to a representative of the Bureau, these financial statements at the offices of the institution.

(c) As part of its annual report to the Bureau, every institution shall provide graduate identification data for each student who graduated from the institution's educational program(s), which shall include:

(1) The graduate's name and federal taxpayer identification number, which is either the graduate's social security number (SSN) or individual taxpayer identification number (ITIN). If the graduate does not have an SSN or ITIN, the graduate's information shall be reported as "not available";

(2) The date of graduation;

(3) The following information regarding the educational program in which the graduate was enrolled:

(A) The federal Bureau of Labor Statistic's Standard Occupation Classification (SOC) codes for which the institution has identified that the program prepares its graduates when required for the reporting of job placement rates under subdivision (i)(3) of section 74112 of this Division;

(B) Educational program's name;

(C) Program length, as measured in clock hours or credit hours; and

(D) Type or title of degree, diploma or certificate awarded.

(4) The amount of federal student loan debt for the graduate, if any, as reported by the institution under subdivision (g) of section 74112 of this Division.

(d) Specific Timeframes for Reporting Graduate Identification Data:

(1) The written notice required by Section 94892.6(b)(5) of the Code shall

1 inform the institution that the Director has certified that the Bureau's information
2 technology system has been updated and is capable of processing the data required by
3 that Section and that the institution has 120 days from receipt of the notice to comply
4 with this section.

5 (2) The first annual report submitted by an institution that contains the graduate
6 identification data required to be reported in subsection (c) shall include information
7 collected on all students who graduated from January 1, 2020 through the end of the
8 prior calendar year. Subsequent annual reports containing graduate identification data
9 filed by an institution shall include information about students who graduated in the
10 prior calendar year only.

11 (e) An institution shall file its annual report by December 1st of each year. The
12 Bureau may extend the period for filing if the institution demonstrates evidence of
13 substantial need but in no case longer than 60 days. The institution shall not change
14 the date of its filing its annual report because of a change in the fiscal year without
15 the Bureau's approval.

16 (f) The annual report shall be electronically filed by submitting the information
17 required by section 94934 of the Code and this section via the Bureau's online annual
18 reports portal designated on the Bureau's website at: www.bppe.ca.gov, and
19 electronically uploading, as directed, the School Performance Fact Sheet, the
20 enrollment agreement, the school catalog and the graduate identification data required
21 by this section. The following conditions relate to such electronic filings:

22 (1) Institutions submitting their annual report submission shall first have a
23 responsible institution representative register the institution for a user account by
24 creating a user name, password, email address, and the institution representative's
25 first and last name, primary phone number, and address.

26 (2) As part of the annual report, the institution shall provide standard reporting
27 and contact information through the online portal, including:

28 (A) the report year;

(B) institution's approval code;

(C) institution's name;

(D) institution's physical address;

(E) the form of business organization of the institution (sole proprietorship, for-
profit corporation, non-profit corporation, or limited liability company (LLC));

(F) a statement whether the institution is current on its annual fees; and

(G) the institution's website address, or notice that it does not maintain an
internet website if it does not do so.

(3) The graduate identification data reported by the institution shall be provided
in the following application and file format: in an Excel spreadsheet (.xls or .xlsx file
format), or a text file with a semi-colon, comma, or pipe delimiter (.csv or .txt file
format).

(4) Electronic Signature: When a signature is required by the particular

instructions of any filing to be made through the online portal, including any attestation under penalty of perjury as required by Section 94934 of the Code, a responsible institutional representative of the institution shall affix their electronic signature to the filing by typing their name in the appropriate field and submitting the filing via the Bureau's online portal. Submission of a filing in this manner shall constitute evidence of legal signature by any individual whose name is typed on the filing.

(5) When considered filed with the Bureau: Solely for purposes of a filing made through the online portal an annual report is considered filed when all information required by this section has been submitted by the institution and the institution has received an email to the email address associated with their filing that their submission has been received by the Bureau. Receipt of this email does not constitute confirmation that the information submitted complies with the requirements of this section.

(6) The financial statements referenced in subsection (b), which are not permitted to be filed via the Bureau's online portal, shall be filed by providing or mailing hard copies directly to the Bureau's Annual Report Unit at the mailing address of the principal office of the Bureau as provided in section 70020.

14. California Code of Regulations, title 5, section 75020 states (effective 2011 to June 30, 2024):

(a) The Bureau Chief, or his or her designee, or the Director's designee, is authorized to issue citations containing orders of abatement and/or administrative fines pursuant to section 94936 of the Code against approved private, postsecondary institutions that have committed any acts or omissions that are in violation of the Act or any regulation adopted pursuant thereto.

...

(c) In addition to the requirements of section 94936 of the Code, each citation shall inform the cited institution or person that:

(1) if a hearing pursuant to the Administrative Procedure Act (APA) is not requested, payment of the administrative fine is due 30 days from the date of service, and shall not constitute an admission of the violation charged.

(2) if a hearing pursuant to the APA is conducted and payment of an administrative fine is ordered, the administrative fine is due 30 days from when the order is effective;

(3) if the cited institution or person desires an informal conference to contest the finding of a violation prior to an APA hearing, the informal conference shall be requested by written notice to the Bureau within 30 days from service of the citation;

(4) failure to comply with any order of abatement within the time set forth in the citation, unless the citation is being appealed, may result in disciplinary action being taken by the Bureau; and

(5) the Bureau may enforce the administrative fine as if it were a money judgment pursuant to the California Code of Civil Procedure (beginning with section

680.010).

(d) Each citation shall be served on the cited institution or person, in person, or by certified and regular mail at the address of record on file with the Bureau. Citations served by certified and regular mail shall be deemed “served” on the date of mailing.

(e) The sanction authorized under this section shall be separate from, and in addition to, any civil, criminal, or other administrative remedies.

15. California Code of Regulations, title 5, section 75020 states (effective July 1, 2024 to the Present):

(a) The Bureau Chief, or their designee, or the Director's designee, is authorized to issue citations containing orders of abatement or administrative fines or both, pursuant to section 94936 of the Code against institutions approved under the Act that have committed any acts or omissions that are in violation of the Act or any regulation adopted pursuant thereto.

...

(c) In addition to the requirements of section 94936 of the Code, each citation shall inform the cited institution or person that:

(1) if a hearing pursuant to the Administrative Procedure Act (APA) is not requested, payment of the administrative fine is due 30 calendar days from the date of service, and shall not constitute an admission of the violation charged.

(2) if a hearing pursuant to the APA is conducted and payment of an administrative fine is ordered, the administrative fine is due 30 calendar days from when the order is effective;

(3) if the cited institution or person desires an informal conference to contest the finding of a violation prior to an APA hearing, the informal conference shall be requested by written notice to the Bureau within 30 calendar days from service of the citation;

(4) failure to comply with any order of abatement within the time set forth in the citation, unless the citation is being appealed, may result in disciplinary action being taken by the Bureau; and

(5) the Bureau may enforce the administrative fine as if it were a money judgment pursuant to the California Code of Civil Procedure (beginning with section 680.010).

(d) Each citation shall be served on the cited institution or person, in person, or by certified and regular mail at the address of record on file with the Bureau. Citations served by certified and regular mail shall be deemed “served” on the date of mailing.

(e) The sanction authorized under this section shall be separate from, and in addition to, any civil, criminal, or other administrative remedies.

16. California Code of Regulations, title 5, section 75050, subdivision (b), states:

(b) Failure of an applicant or institution issued an approval to operate to abate the violation or to pay the fine within the time allowed is a ground for denial or discipline of an approval to operate.

17. California Code of Regulations, title 5, section 76130, states:

(a)(1) 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.

(2) The assessment to be collected from a re-enrolling student shall be limited to any amount that is due after crediting any prior assessment amount paid by the student. The enrollment agreement shall clearly identify any prior STRF assessment paid by the student.

(b) A qualifying institution shall complete the STRF Assessment report 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.

....

COST RECOVERY

18. Section 94937, subdivision (c), of the Code provides that the Bureau may seek reimbursement costs of investigation and enforcement pursuant to Business and Professions Code section 125.3

19. Section 125.3 of the Business and Professions Code provides, in pertinent part, that the Board may request the administrative law judge to direct a licensee found to have committed a violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case, with failure of the licensee to comply subjecting the license to not being renewed or reinstated. If a case settles, recovery of investigation and

enforcement costs may be included in a stipulated settlement.

FACTUAL ALLEGATIONS

Citation No. 23240233

20. On April 3, 2024, the Bureau issued Citation Number 23240233 to Respondent for (1) failing to pay its 2023 Annual Fee by November 1, 2023, and a subsequent 90-day late penalty fee; and (2) failing to submit the Student Tuition Recovery Fund (STRF) Assessment Reporting form and its collection of assessment fees from students as required for the fourth quarter in 2023 by January 29, 2024. The Bureau assessed an administrative fine totaling \$1,002.00 and issued orders of abatement requiring Respondent to pay the annual and late penalty fee and submit the STRF Assessment Reporting form with its collection of fees from students. The citation was served on Respondent via certified and first-class mail at Respondent's address of record. Respondent did not appeal the citation, which is now final.

21. On or about April 1, 2024, the Bureau received the STRF from Respondent who certified that no assessment fees were due, which partially abated the citation. On May 6, 2024, June 11, 2024, and July 15, 2024, the Bureau mailed demand letters to Respondent's address of record for payment of the fine and abatement of the violations. The Bureau gave notice that disciplinary action could be taken for failure to comply. However, to date, Respondent has failed to pay the \$1,002.00 fine or the 2023 annual and late penalty fee.

Citation No. 24250107

22. On October 8, 2024, the Bureau issued Citation Number 24250107 to Respondent for failure to have an authorized school representative onsite to assist the Bureau in conducting an unannounced compliance inspection and make records immediately available for inspection on August 23, 2023. The Bureau assessed an administrative fine of \$5,000.00. The citation was served on Respondent via certified and first-class mail at Respondent's address of record. Respondent did not appeal the citation, which is now final. On November 7, 2024, December 10, 2024, and January 9, 2025, the Bureau mailed demand letters to Respondent's address of record for payment of the fine. The Bureau gave notice that disciplinary action could be taken for failure to comply. To date, Respondent has failed to pay the \$5000.00 fine.

1 **Citation No. 24250293**

2 23. On April 17, 2025, the Bureau issued Citation Number 24250293 to Respondent for
3 failing to submit a 2023 Annual Report that was due to the Bureau by December 1, 2024. The
4 Bureau assessed an administrative fine of \$5,000 and issued an order of abatement requiring
5 Respondent to submit the report. The citation was served on Respondent via certified and first-
6 class mail at Respondent's address of record. Respondent did not appeal the citation, which is
7 now final. On May 19, 2025, the Bureau mailed a demand letter to Respondent's address of
8 record for payment of the fine and order of abatement. The Bureau gave notice that disciplinary
9 action could be taken for failure to comply. To date, Respondent has failed to pay the \$5000.00
10 fine or submit the 2023 Annual Report.

11 **CAUSE FOR DISCIPLINE**

12 (Failure to Comply with Citations)

13 24. Respondent's Approval to Operate is subject to disciplinary action pursuant to
14 California Code of Regulations, title 5, section 75050, subdivision (b), in that Respondent failed
15 to pay the \$1,200.00 fine and comply with the order of abatement that Respondent pay the 2023
16 annual and 90-day late penalty fee in Citation No. 23240233. In addition, Respondent failed to
17 pay the \$5,000.00 fine in Citation No. 24250107. Finally, Respondent failed to pay the \$5,000.00
18 fine and comply with the order of abatement that Respondent submit the 2023 Annual Report in
19 Citation No. 24250293. The allegations in paragraphs 20 through 23 are hereby incorporated by
20 reference as though fully set forth herein.

21 **DISCIPLINE CONSIDERATIONS**

22 25. To determine the degree of discipline, if any, to be imposed on Respondent,
23 Complainant alleges that, on June 25, 2020, in a prior action, the Bureau issued Citation Number
24 1920334 to Respondent for failing to submit the STRF Assessment Reporting Form for the 1st,
25 2nd, and 4th quarter of 2017, the 2nd, 3rd, and 4th quarter of 2018, all four quarters in 2019, and
26 the 1st and 2nd quarter of 2020. The Bureau assessed a \$50.00 fine and issued an order of
27 abatement requiring Respondent to submit the STRF Assessment Reporting forms with its
28 collection of assessments from students. On August 5, 2020, the Bureau received payment of the

1 fine and evidence of compliance with the order of abatement. That citation is now final.

2 **PRAYER**

3 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
4 and that following the hearing, the Director of the Department of Consumer Affairs issue a
5 decision:

6 1. Revoking or suspending the Approval to Operate Institution Code Number 54602740
7 issued to University of Pasadena (Respondent), owned by Fuji International Limited;

8 2. Ordering University of Pasadena (Respondent), owned by Fuji International Limited
9 to pay the Bureau for Private Postsecondary Education the reasonable costs of the investigation
10 and enforcement of this case, pursuant to Section 94937, subdivision (c), and Business and
11 Professions Code section 125.3; and

12 3. Taking such other and further action as deemed necessary and proper.
13
14
15

16 DATED: 5/30/2025

"Original Signature on File"

17 DEBORAH COCHRANE
18 Chief
19 Bureau for Private Postsecondary
20 Education
21 Department of Consumer Affairs
22 State of California
23 *Complainant*

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