



Bureau for Private Postsecondary Education
1747 N. Market Blvd. Ste 225 Sacramento, CA 95834
P.O. Box 980818, West Sacramento, CA 95798-0818
P (916) 574-8900 F (916) 263-1897 www.bppe.ca.gov



APPEAL OF CITATION INFORMAL CONFERENCE
DECISION: CITATION MODIFIED

February 2, 2021

Aceport College, Inc., Owner
Aceport College
1661 N. Raymond Ave, #145
Anaheim, CA 92801

Date of Issuance	Citation Number	Institution Code
February 2, 2021	2021121	64494389

On January 7, 2021, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement and No. 2021121 (Citation) against Aceport College, Inc., Owner of Aceport College (Institution). In attendance were Beth Danielson, Enforcement Chief, Neungmo Lee, Secretary Board of Trustee, and Daniel Lee, Assistant Secretary.

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. 2021121.

It is the decision of the Enforcement Chief that on January 19, 2021, Citation No. 2021121 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><u>Violation:</u></p> <p>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 (b)(1)(A) – Maintenance of Records <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</i></p>

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:
(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;
(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;"

5, CCR Section 71930 (e) – Maintenance of Records

"(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."

CEC Section 94904 (a) – Ability to Benefit Students

"(a) Except as provided in subdivision (c), before an ability-to-benefit student may execute an enrollment agreement, the institution shall have the student take an independently administered examination from the list of examinations prescribed by the United States Department of Education pursuant to Section 484(d) of the federal Higher Education Act of 1965 (20 U.S.C. Sec. 1070a et seq.). The student shall not enroll unless the student achieves a score, as specified by the United States Department of Education, demonstrating that the student may benefit from the education and training being offered."

Violation: 5, CCR Section 71920 (b)(1)(A) and CEC Section 94904: Bureau staff reviewed student files and found that student files were missing verification of high school completion and/or an Ability-to-Benefit (ATB) exam. and the Institution staff stated that most of their students attended high school in another country and have a difficult time obtaining copies of these documents. In addition, Institution staff stated that when they discovered the problem of obtaining the documentation from out of the country, they instituted the process of using an ATB exam in lieu of obtaining a high school diploma from students, however the ATB exam the Institution is utilizing is not an approved exam.

Violation: 5, CCR Section 71920 (b)(9) and 71930 (e): Bureau staff reviewed student files and found that the student files were missing documentation showing the amount of money received from students. Institution staff stated that the Institution's Certified Public Accountant (CPA) had their financial paperwork and were unsuccessful in obtaining the documents.

Order of Abatement:

The Bureau orders the Institution to submit a policy, or procedure, of how future compliance will be maintained with 5, CCR Sections 71770, 71920 and 71930, and CEC Section 94904. In addition, the Bureau orders the Institution to submit the name of the ATB exam they would like to administer to incoming students for Bureau approval.

Assessment of Fine

The fine for this violation is \$4,000.00

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

The administrative fine for this violation has been modified from \$4,000.00 to \$1,000.00.

2.	<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: [...] (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.”</i></p> <p>5, CCR Section 71745 (a)(6) – Financial Resources <i>“(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.”</i></p> <p style="color: red;">For the reasons stated above, the institution is in violation of these sections of law.</p> <p><u>Order of Abatement:</u> The Bureau orders the institution to:</p> <ol style="list-style-type: none"> 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: <ol style="list-style-type: none"> 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. <p style="color: red;">Reason for modification: New substantive facts were presented at the conference. The school does not participate in Title IV; therefore it must 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).</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$00.00</u></p>
TOTAL MODIFIED ADMINISTRATIVE FINE DUE: <u>\$1,000.00</u>	

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. If you did not initially request an Administrative Hearing within 30 days from when the original citation was issued, you can no longer request one.

EFFECTIVE DATE OF CITATION AND FINE ASSESSMENT

This modified Citation is effective on **February 2, 2021**. The Order of Abatement and payment are due by **March 4, 2021**.

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 Cheryl.Lardizabal@dca.ca.gov.

“Original signature on file”

“2/2/2021”

Christina Villanueva
Discipline Manager

Date

Enclosures

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