



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



CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: Brandon College, Inc. d/b/a Brandon College, Owner
Brandon College
551 Sutter Street
San Francisco, CA 94102

INSTITUTION CODE: 3801071
CITATION NUMBER: 2021225
CITATION ISSUANCE/SERVICE DATE: June 30, 2021
DUE DATE: July 30, 2021

FINE AMOUNT: \$ 5,050.00

ORDER OF ABATEMENT INCLUDED: Yes

Christina Villanueva issues this Citation: Assessment of Fine (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 Brandon College, Inc. d/b/a Brandon College, Owner of Brandon College (Institution) located at 551 Sutter Street, San Francisco, CA 94102, 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 July 15, 2020, the Bureau previously issued Citation: Assessment of Fine and Order of Abatement No. 2021017 to the Owner of the Institution for failing to submit Student Tuition Recovery Fund (STRF). To date, the citation remains outstanding.

In addition, in accordance with CEC Section 94926 and 5, CCR Section 76240(a) an institution shall notify the Bureau in writing of its intention to close, at least 30 days prior to closing. The Bureau's Closed School's Unit verified that the Institution closed, did not submit a closure reporting form to the Bureau, and failed to provide the required 30-day advanced notice of school closure.

Additionally, 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 June 30, 2021, the Institution has not submitted the STRF Assessment Reporting Forms for the 2nd, 3rd, 4th quarter 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 June 30, 2021, the Bureau has not received the annual fee nor the late payment penalty fee for the 2020 calendar year from the Institution.

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>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)(1)(2)(3)(4)(A)(B)(5)(6)(b)(1)(2) - Required Notices and Teach-Out Plan <i>“All institutions, including those exempts 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>(1) The exact date and reason for the closure.</i></p>

- (2) The last date of instruction for each educational service or program.
- (3) A list of students who were enrolled at any time during the 60 days prior to closure.
- (4) If any student will not be provided complete educational services or the educational program, the institution shall provide:
 - (A) A plan for providing teach-outs or transfers, including the details of any agreements with other institutions.
 - (B) If no teach-out is contemplated, or aid programs arrangements for making refunds and returning federal student financial aid program funds.
- (5) A plan for the disposition of student records.
- (6) A plan to notify students of their rights and options under the Act and this chapter.
 - (b) The institution shall notify the students of the following:
 - (1) If the institution is a participant in federal student financial aid programs, it shall provide students information concerning those programs and institutional closures.
 - (2) If any student will not be provided complete educational services or the educational program, information regarding the Student Tuition Recovery Fund and the Bureau's physical and Internet addresses."

On December 14, 2020, the Bureau received an internal tip that Brandon College may have closed. The website was inactive, the phone number was disconnected, and both Google and Yelp searches indicated that the school had closed.

In addition, Bureau staff made multiple attempts to locate the current owners via mail, email, and phone, and all attempts were unsuccessful. Bureau staff emailed the Institution's previous owner and received a response stating that after the change of ownership, which was approved by ACCET, the school closed due to lack of student enrollment.

Order of Abatement:

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)(1)(2)(3)(4)(A)(B)(5)(6)(b)(1)(2).

Assessment of Fine

The fine for this violation is \$5,000.00

2.

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 the STRF Assessment Reporting Forms for the following quarters:

- **Second, Third, and Fourth Quarter for 2020**

On June 18, 2020, the Institution was notified via mail at 551 Sutter Street, San Francisco, CA 94102, that the STRF Assessment Reporting Form for the 2nd quarter of 2020 was due.

On July 29, 2020, the Institution was notified via email that the STRF Assessment Reporting Form for the 2nd quarter of 2020 was due. As of April 13, 2021, the Bureau has not received the STRF Assessment Reporting Form from the Institution.

On September 18, 2020, the Institution was notified via mail at 551 Sutter Street, San Francisco, CA 94102, that the STRF Assessment Reporting Form for the 3rd quarter of 2020 was due.

On November 13, 2020, the Institution was notified via email that the STRF Assessment Reporting Form for the 3rd quarter of 2020 was due. As of April 13, 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 551 Sutter Street, San Francisco, CA 94102, that the STRF Assessment Reporting Form for the 4th quarter of 2020 was due. As of June 30, 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.

	<p>Assessment of Fine The fine for this violation is <u>\$50.00</u></p>
3.	<p>Violation: 5, CCR Section 74006(a) and (b) - Annual Fee <i>“(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.</i></p> <p>CEC Section 94930.5 (g)- Fee Schedule <i>“(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.”</i></p> <p>CEC Section 94931(b)- Late Payment <i>“(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.”</i></p> <p>The Institution has failed to pay its annual fee and its late payment penalty fee for calendar year 2020.</p> <p>On June 3, 2020, the Institution was notified, Invoice # 900349965, via mail at 551 Sutter Street, San Francisco, CA 94102, stating that the annual fee for calendar year 2020 was due on July 1, 2020.</p> <p>On August 17, 2020, the 1st Delinquency, Notice Invoice #900349965 was sent via mail at 551 Sutter Street, San Francisco, CA 94102, stating that the annual fee for calendar year 2020 was due on July 1, 2020.</p> <p>On October 15, 2020, the 2nd Delinquency Notice, Invoice #900351942 was sent via mail at 551 Sutter Street, San Francisco, CA 94102, stating that the annual fee for calendar year 2020 was due on July 1, 2020.</p> <p>As of April 13, 2021, the Bureau has not received the annual fee nor the late payment penalty fee for calendar year 2020.</p> <p>Order of Abatement: The Bureau orders the Institution to submit its annual fees for calendar year 2020 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>Assessment of Fine The fine for this violation is <u>\$00.00</u></p>
<p>TOTAL ADMINISTRATIVE FINE DUE: \$5,050.00</p>	

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 **\$5,050.00** for the violations described above. **Payment must be made, to the Bureau, within 30 days from the date of service of the Citation.**

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 **July 30, 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 **June 30, 2021**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **July 30, 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:

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 Cheryl.Lardizabal@dca.ca.gov.

“Original signature on file”

“6/30/2021”

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