



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

January 14, 2021

Carnegie Mellon University, Owner
Carnegie Mellon University – Silicon Valley
NASA Research Park, Bldg. 23 (MS-23-11)
Moffett Field, CA 94035

Date of Issuance	Citation Number	Institution Code
January 14, 2021	2021113	0703171

On December 4, 2020, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 202113 (Citation) against Carnegie Mellon University, Owner of Carnegie Mellon University – Silicon Valley (Institution). In attendance were Beth Danielson, Enforcement Chief, Doug Smith, Department of Consumer Affairs Legal Counsel, and Lisa Krieg, Associate Vice President, Mary Beth Shaw, Attorney, and Steven Rosenberg, PhD, Senior Director of Operations.

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. 2021113.

It is the decision of the Enforcement Chief that on December 22, 2020, Citation No. 2021113 is affirmed for the following reason(s):

- No new substantive facts were presented at the conference.

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>AFFIRMED</p> <p>Violation:</p> <p>CEC 94911 (b) – Minimum Requirements for Enrollment Agreements</p> <p><i>“An enrollment agreement shall include, at a minimum, all of the following:</i></p> <p><i>(b) A schedule of total charges, including a list of any charges that are nonrefundable and the student’s obligations to the Student Tuition Recovery Fund, clearly identified as nonrefundable charges.”</i></p> <p>5, CCR 71800 (e)(1) – Enrollment Agreement</p>

*"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:
(e) Itemization of all institutional charges and fees including, as applicable:
(1) Tuition;"*

CEC 94840 Enrollment Agreement

"Enrollment agreement' means a written contract between a student and institution concerning an educational program."

On April 5, 2019, the Institution was notified in an Announced Deficiency Letter that the Institution's Enrollment Agreement which stated that tuition typically increases 3% to 5% each academic year was in violation of CEC section 71800.

The Institution informed Bureau staff that they were aware that the tuition charges could not exceed the range listed on each EA form.

On April 16, 2019, Bureau staff conducted an Announced Compliance Inspection at the Institution. During the inspection, Bureau staff found that the Enrollment Agreement provided by the Institution identified the total amount for tuition, but then included the following statement, *"*Tuition and required university fees (generally, the student activities fee, technology fee and transportation fee) are subject to change. Students are required to pay the then-current rates for program tuition and required university fees each semester. Tuition increases 3% to 5% each academy year. Other fees may apply."*

During the inspection, the Institution's legal counsel found that they met their contractual obligations and could raise tuition if it was within the 3%-5% identified in the EA.

The Institution's Enrollment Agreement does not specify the total tuition charges if tuition typically increases 3% to 5% each academic year.

Order of Abatement:

The Institution shall submit to the Bureau a revised Enrollment Agreement that shall have an itemization of charges, which includes tuition, for education program for the period covered by the enrollment agreement that complies the minimum requirements, pursuant to CEC section 94911 and 5, CCR section 71800.

Assessment of Fine

The fine for this violation is \$500.00

TOTAL MODIFIED ADMINISTRATIVE FINE DUE: \$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:

Nicole Mitchell, 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 affirmed 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 affirmed Citation is effective on **January 14, 2021**. The order of abatement and payment are due by **February 13, 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 Affirmed 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 Nicole Mitchell, Citation Analyst, at (916) 574-8995 or at Nicole.Mitchell@dca.ca.gov.

“Original Signature on File”

“1/14/2021”

Christina Villanueva
Discipline Manager

Date

Enclosures

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