

BUSINESS CONSUMER SERVICES AND HOUSING AGENCY - GAVIN NEWSOM, GOVERNOR DEPARTMENT OF CONSUMER AFFAIRS • BUREAU FOR PRIVATE POSTSECONDARY EDUCATION 2535 Capitol Oaks Drive, Suite 400, Sacramento, CA 95833

P.O. Box 980818, West Sacramento, CA 95798-0818

P (916) 431-6959 | Toll-Free (888) 370-7589 | www.bppe.ca.gov



# **CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT**

To: Randy Doten, Owner Computer Institute of Technology 6185 Magnolia Ave. Ste. 355 Riverside, CA 92506

INSTITUTION CODE: Unapproved CITATION NUMBER: 1920007

CITATION ISSUANCE/SERVICE DATE: July 10, 2019

DUE DATE: August 9, 2019

FINE AMOUNT: \$ 100,000.00

**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 for the Bureau for Private Postsecondary Education (Bureau) of the California Department of Consumer Affairs.

#### **CITATION**

A Citation is hereby issued to Randy Doten, Owner of Computer Institute of Technology (Institution) located at 6185 Magnolia Ave. Ste. 355, Riverside, CA 92506 pursuant to Business and Professions Code section 125.9 and 149; California Education Code (CEC) section 94944; and Title 5 of the California Code of Regulations (5, CCR) section 75020 for the violation(s) described below.

### **BACKGROUND**

On February 7, 2019, Bureau staff reviewed Computer Institute of Technology's (CIT) Financial Reports and contacted several insurance carriers to request a report of funds that were paid to CIT for Supplemental Job Displacement Benefits (SJDB) vouchers from 2013 through 2018.

During the course of the investigation, Bureau staff confirmed that CIT's Riverside location was operating without Bureau approval and received over \$1.5 million for the SJDB vouchers. The report submitted by the insurance carriers provided evidence of student tuition payments ranging from \$2,172.00 to \$9,000.00. Additionally, the Bureau identified that Randy Doten was operating the CIT Riverside location. This evidence confirms that the Institution violated the requirement for an Approval to Operate, per CEC section 94886, as the Institution was charging students over \$2,500.00 in tuition and therefore operating unapproved.

# 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. Violation:

# CEC Section 94886. Approval to Operate Required

"Except as exempted in Article 4 (commencing with Section 94874) or in compliance with the transition provisions in Article 2 (commencing with Section 94802), a person shall not open, conduct, or do business as a private postsecondary educational institution in this state without obtaining an approval to operate under this chapter."

# CEC Section 94817.5. Approved to Operate or Approved

"Approved to operate" or "approved" means that an institution has received authorization pursuant to this chapter to offer to the public and to provide postsecondary educational programs."

## CEC Section 94868. To Offer to the Public

"To offer to the public" means to advertise, publicize, solicit, or recruit."

## CEC Section 94869. To Operate

"To operate" means to establish, keep, or maintain any facility or location in this state where, or from which, or through which, postsecondary educational programs are provided."

Bureau staff reviewed the reports received from various insurance carriers that provided evidence of student tuition payments that ranged from \$2,172.00 to \$9,000.00. The Bureau determined that the Institution is in violation of CEC section 94886 and operating unapproved.

## Order of Abatement:

The Bureau orders that the Institution cease to operate as a private postsecondary educational institution, unless the Institution qualifies for an exemption under CEC section 94874. The Institution must discontinue recruiting or enrolling students and cease all instructional services and advertising in any form or type of media, including any websites not identified here that are associated with the Institution, until such time as an approval to operate is obtained from the Bureau. The Institution must disconnect all telephone service numbers including, but not limited to, (562) 698-5800 that are associated with the Institution until such time as an approval to operate is obtained from the Bureau. To comply with the Order of Abatement the Institution must submit a school closure plan to the Bureau pursuant to California Education Code section 94926. The Institution must provide a roster of each student currently enrolled at the Institution. The roster must include the names of the students, their contact information (including phone number, email address, and physical address), the programs in which they are enrolled, the amount paid for the programs, and the amount the student was refunded.

### **Assessment of Fine**

The fine for this violation is \$100,000.00

TOTAL ADMINISTRATIVE FINE DUE: \$100,000.00

### **ASSESSMENT OF A FINE**

In accordance with CEC section 94944; and 5, CCR section 75020(b), the Bureau hereby orders this assessment of a fine in the amount of \$100,000.00 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 5, CCR Section 75020 (b) the Bureau hereby issues the order(s) of abatement described above. In accordance with Business and Professions Code Section 149, the Bureau may disconnect any telephone service numbers used by an unapproved Institution. 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 **August 9, 2019,** 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 **July 10, 2019.** Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **August 9, 2019.** 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 2535 Capitol Oaks Drive, Suite 400 Sacramento, CA 95833 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 916-621-2591 or <a href="mailto:Cheryl.Lardizabal@dca.ca.gov">Cheryl.Lardizabal@dca.ca.gov</a>.

Christina Villanueva Discipline Manager

Date

7/10/19

### **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