Business, Consumer Services and Housing Agency– Governor, Edmund G, Brown Jr.



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 F (916) 263-1897 www.bppe.ca.gov



CITATION: ASSESSMENT OF FINE

To: Caleb Everett Career College of California 201 E. 4th Street, Suite 200 Santa Ana, CA 92701

INSTITUTION CODE: 3014611 CITATION NUMBER: 1516084 CITATION ISSUANCE/SERVICE DATE: April 19, 2016 DUE DATE: May 18 2016 FINE AMOUNT: \$ 10,000.00 ORDER OF ABATEMENT INCLUDED: NO

Elainea Shotwell issues this Citation: Assessment of Fine and Order of Abatement (Citation) in her official capacity as Enforcement Manager of the Bureau for Private Postsecondary Education (Bureau) of the California Department of Consumer Affairs.

CITATION

A Citation is hereby issued to Caleb Everett, Owner of Career College of California located at 201 E. 4th Street, Suite 200, Santa Ana, CA 92701 pursuant to Business and Professions Code section 125.9; California Education Code (CEC) section 94936; and Title 5 of the California Code of Regulations (5 CCR) section 75020 for the violations described below.

VIOLATION

#	The California Education Code (CEC) and the California Code of Regulations (CCR). Below you will find the code section(s) of law you are charged with violating.
1.	<u>Violation:</u> 5, CCR 74200 – Cessation of Educational Program <i>"Every institution shall notify the Bureau in writing at least 30 days before the institution ceases to</i> <i>offer to the public any educational program."</i>
	On 2/27/16, Bureau staff received a closed school packet from Caleb Everett, Owner, stating that the last day of instruction was 1/27/16. Career College of California did not notify the Bureau in writing at least 30 days before they ceased operating in violation of 5, CCR 74200.
	<u>Assessment of Fine</u> The fine for this violation is <u>\$5,000.00</u>

2.	<u>Violation:</u>
	CEC 94926 (a)(b)(c)(d) Procedures Prior to Closing, Teach-Out Plans
	"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:
	(a) A plan for providing teach-outs of educational programs, including any agreements with any other
	postsecondary educational institutions to provide teach-outs.
	(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. (c) If the institution is a participant in federal student aid
	programs, it shall provide students information concerning these programs and institutional closures.
	(d) A plan for the disposition of student records."
	5, CCR 76240 (a)(1)(2)(3)(4)(A)(B)(5)(6)(b)(1)(2) Required Notices and Teach-Out Plan.
	"All institutions, including those exempt from Bureau regulation pursuant to the Code, shall do the
	following prior to closing:
	(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:
	(1) The exact date and reason for the closure.
-	(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 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.
	(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:
	(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 2/27/16, Bureau staff received a closed school packet from Caleb Everett, Owner, stating that
	the last day of instruction was 1/27/16.
	Career College of California failed to notify the Bureau of its intent to close and did not provide a
	teach-out plan prior to closing in violation of 5, CCR 76240(a)(1)(2)(3)(4)(A)(B)(5)(6)(b)(1)(2) and
-	CEC 94926(a)(b)(c)(d).
	Assessment of Fine
	The fine for this violation is <u>\$5,000.00</u>
	TOTAL ADMINISTRATIVE FINE DUE: \$10,000.00

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 **\$10,000.00** for the violations described above. **Payment must be made, to the Bureau, within** <u>30 days</u> from the date of service of the Citation.

BACKGROUND

On 2/27/16, Bureau staff received a closed school packet from Caleb Everett, Owner, stating that the last day of instruction was 1/27/16. Career College of California did not notify the Bureau in writing at least 30 days before they ceased operating in violation of 5, CCR 74200.

Career College of California failed to notify the Bureau of its intent to close and did not provide a teach-out plan 30 days prior to closing in violation of 5, CCR 76240(a)(1)(2)(3)(4)(A)(B)(5)(6)(b)(1)(2) and CEC 94926(a)(b)(d).

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 <u>30 days</u> 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 **May 18, 2016**, 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 **April 19, 2016.** Payment of the administrative fine shall be due by **May 18, 2016.** 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:

Jody Wright, Discipline Citation Program Bureau for Private Postsecondary Education 2535 Capitol Oaks Drive, Suite 400 Sacramento, CA 95833 Failure for an applicant or institution 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 Jody Wright, Enforcement Analyst, at 916-431-6940 or Jody.Wright@dca.ca.gov.

Elainea Shotwell Enforcement Manager

April 19 , 2016 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