

#### 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: Mohammad (David) Mojadidi David's Academy of Beauty 13521 Eton Place Santa Ana, CA 92705

INSTITUTION CODE: 1937111 CITATION NUMBER: 1718013

CITATION ISSUANCE/SERVICE DATE: February 16, 2018

**DUE DATE: March 18, 2018 FINE AMOUNT: \$ 15,000.00** 

ORDER OF ABATEMENT INCLUDED: NONE

Yvette Johnson issues this Citation: Assessment of Fine and/or Order of Abatement (Citation) in her official capacity as Enforcement Chief of the Bureau for Private Postsecondary Education (Bureau) of the California Department of Consumer Affairs.

#### **CITATION**

A Citation is hereby issued to Mohammad (David) Mojadidi of David's Academy of Beauty, formerly located at 8652 East Whittier Boulevard, Pico Rivera, CA 90660, 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.

#### **BACKGROUND**

On December 27, 2017, the Bureau received a phone call from a student who stated that the school abruptly closed the prior week. On December 27, 2017, the owner of the institution, Mohammad (David) Mojadidi, sent an email to the Bureau at 4:00 p.m. stating "As of December 22, 2017, the educational institution (Pico Rivera Campus and Corona Campus) ceased all instruction for each educational service or program due to financial hardship. Students have been notified to make proper arrangements to acquire their Proof of Training and Transcripts as well as refer them to other institutions nearby."

On January 29, 2018, at 8:30 a.m., the owner of the school, Mohammad (David) Mojadidi, informed the Bureau's Closed School Analyst, in a telephone call, that he had shredded all of the student records, including the records of the students who had recently graduated. Mohammad (David) Mojadidi also stated that he did not know the whereabouts of the students' transcripts.

#### **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. Violation:

# Article 15 Orderly Institutional Closure and Teach-Outs. 94926(a)(b)- Procedures Prior to Closing, Teach-Outs

At least 30 days prior to closing, the institution shall notify the bureau in writing of its intentions 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 or educational programs, including any agreements with any other postsecondary educational institution 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.

### 4, CCR 76240(a)(4)(A)(B)(6) Required Notices and Teach-Out Plan

"(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.

- (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.
  - (6) A plan to notify students of their rights and options under the Act and this chapter.

David's Academy of Beauty notified the Bureau on December 27, 2017, via written documentation attached to an email that both campuses of the school had closed on December 22, 2017 and had ceased all instruction for all programs due to financial hardship.

The Institution failed to provide written notice of closure to the Bureau at least 30 days prior to closing.

The Bureau did not receive a written school closure plan, which would have included arrangements for a teach-out plan and arrangements for making refunds to the students.

#### **Assessment of Fine**

The fine for this violation is \$5,000.00

#### 2. Violation:

Article 15 Orderly Institutional Closure and Teach-Outs. 94927.5(a)(2)- Provision of Records to Bureau Prior to Closing

- (a) Prior to closing, an institution shall provide the bureau with the following:
- (2) If the institution is an accredited institution, a plan for the retention of records and transcripts, approved by the institution's accrediting agency, that provides information as to how a student may obtain a transcript or any other information about the student's coursework and degrees completed.

David's Academy of Beauty is in default of maintaining students records and student transcripts. In a telephone conversation with Mohammad (David) Mojadidi on January 29, 2018, he stated to the Bureau's Closed School Analyst that he shredded all of the student records, including the most recently graduated students. He also stated that he did not know where any of the students' transcripts were housed or stored.

#### **Assessment of Fine**

The fine for this violation is \$5,000.00

#### 3 Violation:

# 4, CCR 71930(a)(f) Maintenance of Records

- (a) An institution shall maintain all records required by the Act and this chapter. The records shall be maintained in this state.
- (f) If an institution closes, the institution and its owners are jointly and severally responsible to arrange at their expense for the storage and safekeeping in California of all records required to be maintained by the Act and this chapter for as long as those records must be maintained. The repository of the records shall make these records immediately available for inspection and copying, without charge except as allowed under subdivision (c)(4) of this section, during normal business hours by any entity authorized by law to inspect and copy records.

The Institution failed to maintain students' records and transcripts. The Institution failed to maintain records in California. In a telephone conversation with Mohammad (David) Mojadidi on January 29, 2018, he stated to the Bureau's Closed School Analyst that he shredded all of the student records, including the most recently graduated students. He also stated that he did not know where any of the students' transcripts were housed or stored.

#### **Assessment of Fine**

The fine for this violation is \$5,000.00

# **TOTAL ADMINISTRATIVE FINE DUE: 15,000.00**

#### 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 **15,000.00** 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.** 

#### 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 **March 18**, **2018**, 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 **February 16**, **2018**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **March 18**, **2018**. 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:

Gurinder Sandhu, 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 Gurinder Sandhu, Discipline Analyst, at 916-431-6940 or <a href="mailto:Gurinder.Sandhu@dca.ca.gov">Gurinder.Sandhu@dca.ca.gov</a>.

Vvette Johnson

Enforcement Chief

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