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
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CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: Delancy Street Academy, Owner
Delancy Street Academy
600 Embarcadero
San Francisco, CA 94115

INSTITUTION CODE: 3804381
CITATION NUMBER: 1819099
CITATION ISSUANCE/SERVICE DATE: Januay 29, 2019
DUE DATE: February 28, 2019
FINE AMOUNT: $ 50.00
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 of the Bureau for Private Postsecondary Education (Bureau) of the California Department of Consumer Affairs.

CITATION

A Citation is hereby issued to Delancy Street Academy, Owner of Delancy Street Academy (Institution) located at 600 Embarcadero, San Francisco, CA 94115, 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

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.

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.

The Bureau sends notifications/reminders to all approved institutions 30 days prior to close of each quarter. As of January 29, 2019, Delancy Street Academy, Institutiton Code 3804381, has not submitted the STRF Assessment Reporting Form for the 3rd quarter of 2017.

Pursuant to CEC Section 94930.5 (d)(1)(A). An annual fee for each campus designated by the institution as a main campus location in California, in an amount equal to 0.45 percent of the

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).

All institutions are required to pay an 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. As of January 29, 2019, the Bureau has not received the 25% penalty fee for the 2017 calendar year from the Institution, Institution Code 3804381.

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.	**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 STRF Assessment Reporting Forms for the following quarter the

	3rd quarter of 2017. On October 1, 2017, the Institution was notified via mail at 600 Embarcadero, San Francisco, CA 94115, that the STRF Assessment Reporting Form for the 3rd quarter of 2017 was due. As of January 29, 2019, 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 Institution shall also submit the student information to substantiate the data reported on the STRF Assessment Reporting Form(s). The information provided shall comply with "Record Keeping Requirements" Pursuant to 5, CCR section 76140. **Assessment of Fine** The fine for this violation is $50.00
2.	**Violation:** **5, CCR Section 74006(a) and (b) - Annual Fee** *"(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.* **CEC 94930.5 (d)(1)(A) - Fee Schedule** *(d) (1) In addition to any fees paid to the bureau pursuant to subdivisions (a) to (c), inclusive, each institution that is approved to operate pursuant to this chapter shall remit both of the following:* *(A)An annual fee for each campus designated by the institution as a main campus location in California, in an amount equal to 0.45 percent of the 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).* *(B) An annual campus fee for each branch of the institution in an amount equal to 0.45 percent of the branch's 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)."* CEC 94931(a) or (b) – Late Payment *"(a) A fee that is not paid on or before the 30th calendar day after the due date for the payment of the fee shall be subject to 25 percent late payment penalty fee."* *"(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."* On January 16, 2018, the 1st delinquency notice was sent to the Institution via mail at 600 Embarcadero, San Francisco, CA 94115, notitfying the Institution the annual fee for 2017 was due on December 1, 2017. On January 7, 2018, the Bureau received the annual fee for year 2017. However, the annual fee for 2017, was due on December 1, 2017, and was delinquent and subject to the additional 25% late payment penalty. As of January 29, 2019, the Bureau has not received the late payment penalty fee for the 2017 annual fee.

	Order of Abatement: The Bureau orders the Institution to submit its late payment penalty fee for 2017, in accordance with 5, CCR 74006(a)(b) and CEC 94930.5(d)(1)(A). **Assessment of Fine** The fine for this violation is $00.00
	TOTAL ADMINISTRATIVE FINE DUE: $50.00

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 **$50.00** 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 CEC section 94936 and 5, CCR section 75020 the Bureau hereby issues the order(s) of abatement described above. **Evidence of compliance with the order 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 **February 28, 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 **January 29, 2019.** Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **February 28, 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:

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, Citation Analyst, at (916) 431-6940 or Gurinder.Sandhu@dca.ca.gov.

Christina Villanueva
Discipline Manager

1/29/19
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