



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

February 2, 2021

Golden State University, Inc., Owner
Golden State University
9047 E. Florence Avenue #L
Downey, CA 90241

Date of Issuance	Citation Number	Institution Code
February 2, 2021	2021116	85210092

On January 6, 2021, an informal telephone conference was held in the matter of Citation: Assessment of Fine and Order of Abatement No. 2021116 (Citation) against Golden State University, Inc., Owner of Golden State University (Institution). In attendance were Ebony Santee, Licensing Chief, Sunny Kim, President and Katherine Hernandez, Registrar/Administrator.

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. 2021116.

It is the decision of the Licensing Chief that on January 14, 2021, Citation No. 2021116 is modified and makes the following change(s):

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><u>Violation:</u> 5, CCR Section 74112(m)(2)(3)(4)(9) - Uniform Data - Annual Report, Performance Fact Sheet</p> <p><i>“(m) Documentation supporting all data reported shall be maintained electronically by the institution for at least five years from the last time the data was included in either an Annual Report or a Performance Fact Sheet, and shall be provided to the Bureau upon request; and the data for each program shall include at a minimum:</i></p> <p><i>(2) student name(s), address, phone number, email address, program completed, program start date, scheduled completion date, and actual completion dates;</i></p> <p><i>(3) graduate’s place of employment and position, date employment began, date employment ended, if applicable, actual salary, hours per week, and the date employment was verified;</i></p> <p><i>(4) for each employer from which employment or salary information was obtained, the employer name(s) address and general phone number, the contact person at the employer and the contact’s phone number and email address, and all written communication with employer verifying student’s employment or salary;</i></p> <p><i>(9) the name, email address, phone number, and position or title of the institution’s representative who was primarily responsible for obtaining the students’ completion, placement, licensing, and salary and</i></p>

wage data, the date that the information was gathered, and copies of notes, letters or emails through which the information was requested and gathered.”

5, CCR Section 71930 (a)(e) – 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.

(e) All records that the institution is required to maintain by the Act or this chapter shall be made immediately available by the institution for inspection and copying during normal business hours by the Bureau and any entity authorized to conduct investigations.”

CEC Section 94929.7 (a)(1)(2) – Documentation of Performance Data

“(a) The information used to substantiate the rates and information calculated pursuant to Sections 94929 and 94929.5 shall do both of the following:

(1) Be documented and maintained by the institution for five years from the date of the publication of the rates and information.

(2) Be retained in an electronic format and made available to the bureau upon request.”

Bureau staff requested the supporting documentation to substantiate the data reported on 2017-2018 SPFS, however, by the conclusion of the inspection Institution staff was unable to provide the documentation. Bureau staff was unable to verify if the Institution was collecting and maintaining the data.

Order of Abatement:

The Bureau orders the Institution to submit a written policy, or procedure, of how future compliance will be maintained per 5, CCR Section 74112 and CEC Section 94929.7.

Reason for modification: New substantive facts were presented at the conference. The Order of Abatement has been satisfied.

Assessment of Fine

The fine for this violation is \$3,000.00

The administrative fine for this violation has been modified from \$3,000.00 to \$500.00.

2. **Violation:**

5, CCR Section 76140 (a)(1-13)(b)– Record Keeping Requirements

“(a) A qualifying institution shall collect and maintain records of student information to substantiate the data reported on the STRF Assessment Reporting Form and records of the students' eligibility under the Fund. Such records shall include the following for each student:

(1) Student identification number,

(2) First and last names,

(3) Email address,

(4) Local or mailing address,

(5) Address at the time of enrollment,

(6) Home address,

(7) Date enrollment agreement signed,

(8) Courses and course costs,

(9) Amount of STRF assessment collected,

(10) Quarter in which the STRF assessment was remitted to the Bureau,

(11) Third-party payer identifying information,

(12) Total institutional charges charged, and
(13) Total institutional charges paid.

(b) The qualifying institution shall maintain the data required under this section in an electronic format that is readily available and open to inspection by the Bureau upon request. The institution shall make the records immediately available to a Bureau representative conducting a site inspection or, upon written request, shall provide a copy within 14 calendar days of the request. All records shall be provided to the Bureau in an intelligible and orderly manner and in an electronic format.”

Bureau staff requested the supporting documentation to substantiate the data reported on 2019 STRF Quarterly Assessment Reporting Forms, however, by the conclusion of the inspection Institution staff was unable to provide the documentation. Bureau staff was unable to verify if the Institution was collecting and maintaining the data.

Order of Abatement:

The Bureau orders the Institution to submit a written policy, or procedure, of how future compliance will be maintained per 5, CCR Section 76140.

Modified Order of Abatement:

An updated STRF recordkeeping policy was submitted; however, one item of required data to be collected was missing. The Bureau orders the Institution to update the written policy to include the collection of the date enrollment agreement was signed. See 5, CCR Section 76140 (a)(7).

Assessment of Fine

The fine for this violation is \$1,000.00

Reason for modification: New substantive facts were presented at the conference.

The administrative fine for this violation has been modified from \$1,000.00 to \$200.00.

3.

Violation:

5, CCR Section 71775.5(b) – Pre-Enrollment Disclosure; Notice to Prospective Degree Program Students; Institutions with Existing Approvals to Operate

“(b) The student and an institutional representative shall initial and date the notice prior to executing an enrollment agreement. An initialed copy of the notice shall be given to the student and the original shall be retained in the enrolled student's records”

Bureau staff reviewed student files and found that the “Notice to Prospective Degree Program Students” disclosures were not initialed and dated by students.

Order of Abatement:

The Bureau orders the Institution to submit a written policy, or procedure, of how future compliance will be maintained per 5, CCR Section 71775.5.

Reason for modification: New substantive facts were presented at the conference. The Order of Abatement has been satisfied.

Assessment of Fine

The fine for this violation is \$1,000.00

The administrative fine for this violation has been modified from \$1,000.00 to \$200.00.

4.	<p>Violation: 5, CCR Section 71920(a)(b)(10) – Student Records <i>“(a) The institution shall maintain a file for each student who enrolls in the institution whether or not the student completes the educational service.</i> <i>(b) In addition to the requirements of section 94900, the file shall contain all of the following pertinent student records:</i> <i>(10) A document specifying the amount of a refund, including the amount refunded for tuition and the amount for other itemized charges, the method of calculating the refund, the date the refund was made, and the name and address of the person or entity to which the refund was sent;”</i></p> <p style="color: red;">Bureau staff reviewed withdrawn student files and found that the students files were missing documentation of whether a refund was made to the withdrawn students.</p> <p>Order of Abatement: The Bureau orders the Institution to submit a written policy, or procedure, of how future compliance will be maintained per 5, CCR Section 71920.</p> <p style="color: red;">Reason for modification: New substantive facts were presented at the conference. The Order of Abatement has been satisfied.</p> <p>Assessment of Fine The fine for this violation is <u>\$500.00</u></p> <p style="color: red;">The administrative fine for this violation has been modified from \$500.00 to <u>\$100.00</u>.</p>
TOTAL MODIFIED ADMINISTRATIVE FINE DUE: <u>\$1,000.00</u>	

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:

Cheryl Lardizabal, 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 modified Citation. You *do*, however, have the right to appeal this affirmed or modified Citation through an Administrative Hearing. A hearing before an Administrative Law Judge will be scheduled and you will be notified of the hearing date. The hearing will be held pursuant to Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

If you do not wish to appeal this modified Citation you must withdraw your initial request for an Administrative Hearing, if one was made. Please complete and mail the enclosed Withdrawal – Request for Administrative Hearing within **30 Days** of the date of this decision.

EFFECTIVE DATE OF CITATION AND FINE ASSESSMENT

This modified Citation is effective on February 2, 2021. The Order of Abatement and payment are due by **March 4, 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 Modified 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 Cheryl Lardizabal, Citation Analyst, at Cheryl.Lardizabal@dca.ca.gov.

“Original signature on file”

“2/2/2021”

Christina Villanueva
Discipline Manager

Date

Enclosures

- Payment of Fine – Waiver of Appeal Rights
- Withdrawal- Request for Administrative Hearing
- Declaration of Service by Certified and First-Class Mail