



Bureau for Private Postsecondary Education
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CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: Hamilton College, Owner
Hamilton College
3251 6th Street, Suite 401
Los Angeles, CA 90020

INSTITUTION CODE: 1923711

CITATION NUMBER: 2021190

CITATION ISSUANCE/SERVICE DATE: February 18, 2021

DUE DATE: March 20, 2021

FINE AMOUNT: \$ 10,050.00

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 Hamilton College, Owner of Hamilton College(Institution) located at 3251 6th Street, Suite 401, Los Angeles, CA 90020, pursuant to Business and Professions Code section 125.9; California Education Code (CEC) sections 94936 and 94932; and Title 5 of the California Code of Regulations (5, CCR) section 75020 for the violations described below.

BACKGROUND

On October 7, 2019 the Bureau issued Citation Number 1920106 to the institution for failing to submit the annual fee for calendar year 2019. This citation remains outstanding.

In addition, 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.

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.

The Bureau sends notifications/reminders to all approved institutions 30 days prior to close of each quarter.

As of February 18, 2021, the Institution has not submitted the STRF Assessment Reporting Forms for the 3rd and 4th quarters of 2021.

Furthermore, on January 10, 2020, Bureau staff attempted to conduct an Unannounced Compliance Inspection and found that the location was occupied by another business. On January 28, 2020, Bureau staff spoke to the Institution Owner who stated the Institution had closed.

In accordance with CEC Section 94926 and 5, CCR Section 76240(a), an institution shall notify the Bureau in writing of its intention to close, at least 30 days prior to closing. To date, the Institution has not submitted the required school closure information to the Bureau.

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.	<p>Violation 5, CCR Section 76130 (a-e)- Collection and Submission of Assessments <i>“(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.</i> <i>(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:</i> <i>(1) April 30 for the first quarter,</i> <i>(2) July 31 for the second quarter,</i> <i>(3) October 31 for the third quarter, and</i> <i>(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.</i> <i>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.</i> <i>(c) The STRF Assessment Reporting Form shall contain the following information:</i> <i>(1) Total number of students who signed enrollment agreements for educational programs during the reporting period; and</i> <i>(2) Total number of students eligible for STRF who signed enrollment agreements for educational programs during the reporting period; and</i> <i>(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</i> <i>(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</i> <i>(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</i> <i>(6) Current contact telephone number of the person preparing the form; and</i> <i>(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.</i> <i>(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.</i> <i>(e) Submission of all prior reports and assessments required by this section is a condition of renewal.”</i></p> <p>The Institution has failed to submit STRF Assessment Reporting Forms for the following quarters:</p>

• **Third and Fourth Quarters of 2019.**

On September 18, 2019, the Institution was notified via mail at 3251 6th Street Suite 401, Los Angeles, CA 90020, that the STRF Assessment Reporting Form for the 3rd quarter of 2019 was due. As of February 18, 2021, the Bureau has not received the STRF Assessment Reporting Form from the Institution.

On December 17, 2019, the Institution was notified via mail at 3251 6th Street Suite 401, Los Angeles, CA 90020, that the STRF Assessment Reporting Form for the 4th quarter of 2019 was due. As of February 18, 2021, the Bureau has not received the STRF Assessment Reporting Form from the Institution.

Order of Abatement:

The Bureau orders that the Institution submit the STRF Assessment Reporting Forms with the STRF Assessments collected from students for the quarters listed above. 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.

Violations

CEC Section 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 financial aid programs, it shall provide students information concerning these programs and institutional closures.

(d) A plan for the disposition of student records."

5, CCR Section 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:

(1) If the institution is a participant in federal student financial aid programs, it shall provide students information concerning those programs and institutional closures.

(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 January 10, 2020, Bureau staff attempted to conduct an Unannounced Compliance Inspection at the Institution. Upon arrival, Bureau staff found that the building was occupied by another business. Bureau staff called the Institution's Owner and did not receive a response. Additionally, Bureau staff called the Institution's main number which stated the phone number had been changed but did not provide a new number. Furthermore, Bureau staff spoke to a security guard on the premise who stated that the Institution moved from the building two months prior.

Bureau staff was able to find another location for the Institution via YellowPages.com listed at 502 Shatto Place, Wilshire Center, Los Angeles, CA 90020, and spoke to the security guard from that premise. The security guard stated that the Institution was removed from the property approximately five years ago.

On January 28, 2020, Bureau staff called the Institution Owner and inquired about the Institution's status. The Owner stated that the Institution closed a few months prior due to financial issues. The Owner was unable to provide an exact date of closure. Bureau staff informed the Owner that the Bureau's Closed School Unit should have been notified. The Owner responded that he was working on the Institution's financials and therefore did not notify the Bureau.

As of February 18, 2021, the Bureau has not received the required closure information.

Order of Abatement:

The Bureau orders that the institution provide the Bureau with a complete school closure plan in accordance with CEC section 94926(a)(b)(c)(d) and 5, CCR section 76240(a)(1)(2)(3)(4)(A)(B)(5)(6)(b)(1)(2).

Assessment of Fine

The fine for this violation is \$5,000.00

3.

Violation

CEC Section 94927.5 (a)(1) - Provision of Records to Bureau Prior to Closing

"(a) Prior to closing, an institution shall provide the bureau with the following:

(1) Copies of pertinent student records, including transcripts, in hardcopy or electronic form, as determined by the bureau, pursuant to regulations adopted by the bureau."

The Institution failed to provide a plan for the retention of records and transcripts prior to closing, as required by CEC section 94927.5 (a)(1).

Order of Abatement:

The Bureau orders that the Institution provide the Bureau with the plan of retention of student records, and information on how students may obtain their records as required by CEC section 94927.5 (a)(1)

	<p><u>Assessment of Fine</u> The fine for this violation is \$5,000.00</p>
<p>TOTAL ADMINISTRATIVE FINE DUE: \$10,050.00</p>	

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 **\$10,050.00** 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(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 **March 20, 2021**, 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 18, 2021**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **March 20, 2021**. 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:

Nicole Mitchell, Discipline Citation Program
Bureau for Private Postsecondary Education
1747 N. Market Blvd., Suite 225
Sacramento, CA 95834

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 Nicole Mitchell, Citation Analyst, at Nicole.Mitchell@dca.ca.gov.

“Original signature on file”

“2/18/2021”

Christina Villanueva
Discipline Manager

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