



Bureau for Private Postsecondary Education
1747 N. Market Blvd. Ste 225 Sacramento, CA 95834
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CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: Beijing Hengda Investment Co., Ltd., Owner
Mt Sierra College
800 Royal Oaks Drive, Suite 101
Monrovia, CA 91016

INSTITUTION CODE: 1921781
CITATION NUMBER: 2021133
CITATION ISSUANCE/SERVICE DATE: November 5, 2020
DUE DATE: December 5, 2020
FINE AMOUNT: \$ 10,000.00
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 Beijing Hengda Investment, Co., L, Owner of Mt. Sierra College (Institution) located at 800 Royal Oaks Drive, Suite 101, Monrovia, CA 91016, 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 June 23, 2020, the Bureau received a complaint alleging that the Institution failed to provide transcripts.

Through the course of the investigation, the Bureau determined that the Institution failed to conduct a proper school closure and failed to maintain student transcripts as a permanent record.

VIOLATION

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| # | 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></p> <p>CEC Section 94926 (a)(b)(c)(d) – Procedures Prior to Closing, Teach-Out Plans</p> <p><i>“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:</i></p> <p><i>(a) A plan for providing teach-outs of educational programs, including any agreements with any other postsecondary educational institutions to provide teach-outs.</i></p> |

(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)(5) – 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:

(5) A plan for the disposition of student records.”

Violation: CEC Section 94926 (a)(b)(c)(d)

On June 30, 2019, the Bureau received notice from the Institution that the Institution closed on June 25, 2019 for financial reasons. The Institution failed to submit a closure plan to the Bureau 30 days prior to the closing. The notice did not include a Custodian of Records for student records.

Violation: 5, CCR Section 76240 (a)(5)

The Institution did not submit to the Bureau a closure plan detailing the disposition of student records.

Order of Abatement:

The Bureau orders the Institution to provide the Bureau with a Custodian of Records in accordance with CEC section 94926(d). In addition, the Institution shall submit a plan for the disposition of student records as required by 76240 (a)(5).

Assessment of Fine

The fine for this violation is \$5,000.00

2.

Violation:

CEC Section 94926 (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:

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

5, CCR Section 76240 (a)(5) – 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:

(5) A plan for the disposition of student records.”

CEC Section 94885 (a)(8) – Minimum Operating Standards

“(a) The bureau shall adopt by regulation minimum operating standards for an institution that shall reasonably ensure that all of the following occur:

(8) Adequate records and standard transcripts are maintained and are available to students.”

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.”

CEC Section 94900 (b)(1)(2)(3) – Required Student Records

“(b) An institution shall maintain, for each student granted a degree or certificate by that institution, permanent records of all of the following:

- (1) The degree or certificate granted and the date on which that degree or certificate was granted.*
- (2) The courses and units on which the certificate or degree was based.*
- (3) The grades earned by the student in each of those courses.”*

5, CCR Section 71930 (f) – Maintenance of Records

“(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.”

On July 30, 2019, the Bureau received the following documents via email from Institution staff:

- 1. Active Official Transcripts (147 pages)
- 2. Dismissed Official Transcripts (1,126 pages)
- 3. Final Student Roster (8 pages)
- 4. Graduates Official Transcripts (4,162 pages)
- 5. LOA Official Transcripts (7 pages)
- 6. Withdrawal Official Transcripts (872 pages)
- 7. Withdrawal Official Transcripts (1,305 pages)
- 8. Withdrawal Official Transcripts (913 pages)
- 9. Withdrawal Official Transcripts (816 pages)

On June 23, 2020 the Bureau received a complaint alleging that the Institution failed to provide transcripts.

On June 26, 2020, Bureau staff contacted Institution staff via telephone. Institution staff stated that student records from 1990-2006 were sent to Campus Management (CM) electronically, while student records from 2006-2017 were destroyed when the Institution vacated their location. Furthermore, Institution staff stated that student records from 2017-2019 were provided to Certified Information Management (CIM).

Bureau staff contacted CIM via telephone. CIM staff stated they had the Institution’s student records from 2018-2019 but did not have all the student transcripts from 2018-2019.

On July 6, 2020, Bureau staff contacted CM. CM staff stated that they did not maintain records for the Institution, and that they only provide Campus View which is an electronic program that allows server access. CM did not know what the Institution stored on the server.

In addition, Bureau staff received the student file provided by CIM staff. CIM staff stated that they did not have a transcript for the student. Bureau staff reviewed the file and found that the file failed

to contain the student's transcript.

On July 16, 2020, Bureau staff attempted a second search for the Institution's website online and found that the website was inactive. Bureau staff could not find a forwarding nor email address that redirected the search to locate a path to order transcripts from the Institution.

On July 17, 2020, CIM staff informed the Bureau that they never received electronic records from the Institution, and that of the 20 requests received from former students of the Institution, they have only been able to process around five of them due to the fact the student records received from the Institution are incomplete.

Institution staff confirmed that the Institution did not provide student records in an electronic format to CIM.

Institution staff stated the transcripts sent to the Bureau on July 30, 2020, were the only official copies of transcripts for the Institution.

Violations: CEC Section 94926 (d) & 5, CCR Section 76240 (a)(5)

The Institution failed to submit a plan for the disposition of student records.

Violation: CEC Sections 94885 (a)(8)

The Institution failed to maintain and have transcripts available to students.

Violation: 5, CCR Section 94927.5 (a)(1)

The Institution failed to submit to the Bureau copies of transcripts or student records prior to closure.

Violation: 5, CCR Section 94900 (b)(1)(2)(3)

The Institution did not maintain student transcripts containing the minimum requirements under the law as a permanent record.

Violation: 5, CCR Section 71930 (f)

The Institution did not arrange for the storage and safekeeping of student records in California.

Assessment of Fine

The fine for this violation is \$5,000.00

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 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 **December 5, 2020**, 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 **November 5, 2020**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **December 5, 2020**. 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 (916) 574-8995 or Nicole.Mitchell@dca.ca.gov

"Original Signature on File"

"11/5/2020"

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