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# CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: Vine University, Owner Vine University 2120 W. 8th Street, #270 Los Angeles, CA 90057

INSTITUTION CODE: 1939101 CITATION NUMBER: 1819233

CITATION ISSUANCE/SERVICE DATE: June 21, 2019

**DUE DATE: July 21, 2019** 

FINE AMOUNT: \$ 2500.00

ORDER OF ABATEMENT INCLUDED: YES

Beth Scott issues this Citation: Assessment of Fine and 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 Vine University, Owner of Vine University (Institution) located at 2120 W. 8th Street, #270, Los Angeles, CA 90057 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**

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.

Pursuant to 5, CCR section 74006(a) and (b) and CEC section 94930.5 (g). Effective July 1, 2018, the annual fee for each campus described in subparagraph (A) and (B) of paragraph (1) of subdivision (d) shall be in an amount equal to 0.55 percent of that campus' total gross revenue derived from students in California, but not to be less than two thousand five hundred dollars (\$2500) and not to exceed sixty thousand dollars (\$60,000) for each campus.

As of June 19, 2019, the Bureau has not received the annual fee for the 2018 calendar year from the Institution.

Additionally, the Institution did not obtain pre-accreditation by their January 27, 2019 deadline and was issued an order suspending approval to operate degree granting programs effective February 19, 2019. The Institution provided a degree program closure plan which indicated the Institution

had stopped enrolling new students in the degree programs on February 19, 2019. The Institution's general approval to operate remains active as they have not surrendered approval.

As of June 20, 2019, the Institution's website demonstrates that the Institution is still offering degree granting programs to the public and is therefore in violation of the suspension order.

### **VIOLATION**

# Below you will find the California Education Code (CEC) and/or Title 5 of the California Code of Regulations (5, GCR code) section(s) of law you are charged with violating.

### 1. 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 Section 94930.5(g) - Fee Schedule

Effective July 1, 2018, the annual fee for each campus described in subparagraph (A) and (B) of paragraph (1) of subdivision (d) shall be in an amount equal to 0.55 percent of that campus' total gross revenue derived from students in California, but not to be less than two thousand five hundred dollars (\$2500) and not to exceed sixty thousand dollars (\$60,000) for each campus.

## CEC Section 94931(a) or (b) - Late Payment

"(a) A fee that is not paid on or before the  $30^{th}$  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."

The Institution has failed to pay its annual fee for calendar year 2018.

On September 4, 2018, the Institution was mailed a notice (Invoice # 900336010) at 2120 W.  $8^{th}$  Street, #270, Los Angeles, CA 90057, stating that the annual fee for calendar year 2018 was due on October 1, 2018.

On November 13, 2018, the Institution was mailed a delinquency notice (Invoice #900337826) at 2120 W. 8<sup>th</sup> Street, #270, Los Angeles, CA 90057, stating that the annual fee for calendar year 2018 was due on October 1, 2018.

On January 16, 2019, the Institution was mailed a delinquency notice (Invoice #900337826) at 2120 W. 8th Street, #270, Los Angeles, CA 90057, stating that the annual fee for calendar year 2018 was due on October 1, 2018. As of June 19, 2019, the Bureau has not received the annual fee from the institution.

### Order of Abatement:

The Bureau orders the Institution to submit its annual fee for calendar year 2018 in accordance with 5, CCR section 74006(a)(b) and CEC section 94930.5(g). In addition, the Institution must pay all late payment penalty fees.

### **Assessment of Fine**

The fine for this violation is \$00.00

## 2. Violation:

# 94885.5. Accreditation Required for Degree Granting Institutions

(c) An institution required to comply with this section that fails to do so by the dates provided, as required, shall have its provisional approval to operate automatically suspended on the applicable date. The bureau shall issue an order suspending the institution and that suspension shall not be lifted until the institution complies with the requirements of this section. A suspended institution shall not enroll new students in any of its degree programs and shall execute a teach-out plan for its enrolled students.

The Institution's website is demonstrating that the Institution is still offering degree programs to the public and therefore is in violation of the suspension order.

### Order of Abatement:

The Bureau orders the Institution to remove the degree programs information from the Institution's website and submit proof of compliance.

## Assessment of Fine

The fine for this violation is \$2500.00

# TOTAL ADMINISTRATIVE FINE DUE: \$2500.00

## 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 \$2500.00 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 <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 July 21, 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 **June 21, 2019**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **July 21, 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:

Cheryl Lardizabal
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 Cheryl Lardizabal, at (916) 621-2591 or <a href="mailto:Cheryl.Lardizabal@dca.ca.gov">Cheryl.Lardizabal@dca.ca.gov</a>.

Beth Scott

**Enforcement Chief** 

Date

6/21/19

### **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