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8 **BEFORE THE**
9 **DEPARTMENT OF CONSUMER AFFAIRS**
10 **FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION**
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. 1004430

13 **INTERNATIONAL PUBLIC SAFETY**
14 **UNITED**
15 **738 S. Waterman Avenue, No. C 36**
San Bernardino, CA 92408

A C C U S A T I O N

16 Institution Code number 29927731

17 Respondent.

18
19
20 **PARTIES**

21 1. Dr. Michael Marion, Jr. (Complainant) brings this Accusation solely in his official
22 capacity as the Chief of the Bureau for Private Postsecondary Education, Department of
23 Consumer Affairs.

24 2. On or about December 2, 2014, the Bureau for Private Postsecondary Education
25 (Bureau) issued an Approval to Operate to International Public Safety United (Respondent),
26 Institution Code number 29927731. Respondent was approved to offer non-degree programs in
27 Commercial Truck Driver Training and Computer Office Management.

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JURISDICTION

1
2 3. This Accusation is brought before the Director of the Department of Consumer
3 Affairs (Director) for the Bureau for Private Postsecondary Education, under the authority of the
4 following laws. All section references are to the Education Code unless otherwise indicated.

5 4. Section 118 of the Bus. & Prof. Code states in pertinent part:

6 "...

7 (b) The suspension, expiration, or forfeiture by operation of law of a license issued by a
8 board in the department, or its suspension, forfeiture, or cancellation by order of the board or by
9 order of a court of law, or its surrender without the written consent of the board, shall not, during
10 any period in which it may be renewed, restored, reissued, or reinstated, deprive the board of its
11 authority to institute or continue a disciplinary proceeding against the licensee upon any ground
12 provided by law or to enter an order suspending or revoking the license or otherwise taking
13 disciplinary action against the licensee on any such ground.

14 (c) As used in this section, board includes an individual who is authorized by any provision
15 of this code to issue, suspend, or revoke a license, and 'license' includes 'certificate,'
16 'registration,' and 'permit.'"

17 5. Section 477 of the Bus. & Prof. Code states:

18 "As used in this division:

19 (a) 'Board' includes 'bureau,' 'commission,' 'committee,' 'department,' 'division,'
20 'examining committee,' 'program,' and 'agency.'

21 (b) 'License' includes certificate, registration or other means to engage in a business or
22 profession regulated by this code."

23 6. Section 94932 of the Code states:

24 "The bureau shall determine an institution's compliance with the requirements of this
25 chapter. The bureau shall have the power to require reports that institutions shall file with the
26 bureau in addition to the annual report, to send staff to an institution's sites, and to require
27 documents and responses from an institution to monitor compliance. When the bureau has reason
28 to believe that an institution may be out of compliance, it shall conduct an investigation of the

1 institution. If the bureau determines, after completing an investigation, that an institution has
2 violated any applicable law or regulation, the bureau shall take appropriate action pursuant to this
3 article.”

4 **STATUTORY AND REGULATORY PROVISIONS**

5 7. Education Code Section 94891 subdivision (b) states:

6 To be granted a renewal of an approval to operate, the institution shall demonstrate its
7 continued capacity to meet the minimum operating standards.

8 8. Education Code Section 94930.5 states in pertinent part:

9 Subject to Section 94930, an institution shall remit to the bureau for deposit in the Private
10 Postsecondary Education Administration Fund the following fees, in accordance with the
11 following schedule:

12 (d) (1) In addition to any fees paid to the bureau pursuant to subdivisions (a) to (c),
13 inclusive, each institution that is approved to operate pursuant to this chapter shall remit both of
14 the following:

15 (A) An annual fee for each campus designated by the institution as a main campus location
16 in California, in an amount equal to 0.45 percent of the campus' total gross revenue derived from
17 students in California, but not to be less than two thousand five hundred dollars (\$2,500) and not
18 to exceed sixty thousand dollars (\$60,000).

19
20 (g) Notwithstanding subdivision (d), effective July 1, 2018, the annual fee for each campus
21 described in subparagraphs (A) and (B) of paragraph (1) of subdivision (d) shall be in an amount
22 equal to 0.55 percent of that campus' total gross revenue derived from students in California, but
23 not to be less than two thousand five hundred dollars (\$2,500) and not to exceed sixty thousand
24 dollars (\$60,000) for each campus.

25 9. Education Code Section 94932.5 states:

26 (a) As part of its compliance program, the bureau shall perform announced and
27 unannounced inspections of institutions at least every five years.

28

1 (b) On or before January 1, 2017, the bureau shall adopt regulations setting forth policies
2 and practices to ensure that student protections are the highest priority of inspections and that
3 inspections are conducted based on risk and potential harm to students. The regulations shall also
4 set forth policies and practices for providing notice to students enrolled at an institution of the
5 results of each inspection of the institution.

6 10. Education Code Section 94934 states:

7 (a) As part of the compliance program, an institution shall submit an annual report to the
8 bureau, under penalty of perjury, signed by a responsible corporate officer, by July 1 of each year,
9 or another date designated by the bureau, and it shall include the following information for
10 educational programs offered in the reporting period:

11 (1) The total number of students enrolled by level of degree or for a diploma.

12 (2) The number of degrees, by level, and diplomas awarded.

13 (3) The degree levels and diplomas offered.

14 (4) The Student Performance Fact Sheet, as required pursuant to Section 94910.

15 (5) The school catalog, as required pursuant to Section 94909.

16 (6) The total charges for each educational program by period of attendance.

17 (7) A statement indicating whether the institution is, or is not, current in remitting Student
18 Tuition Recovery Fund assessments.

19 (8) A statement indicating whether an accrediting agency has taken any final disciplinary
20 action against the institution.

21 (9) Additional information deemed by the bureau to be reasonably required to ascertain
22 compliance with this chapter.

23

24 11. Title 5, CCR, section 74006 states:

25 (a) An institution's annual fee is due within 30 days of the date on which the institution
26 originally receives its approval to operate and each year thereafter on the anniversary of the date
27 of the original approval.

28 (b) An institution shall pay its annual fee in addition to any other applicable fees.

1 (c) The annual institutional fee is based on the institution's annual revenue. For purposes of
2 this article, annual revenue is annual gross revenue.

3 12. Title 5, CCR, section 74110 states:

4 (a) The annual report required by Section 94934 of the Code shall include the information
5 required by sections 94929.5 and 94934 for all educational programs offered in the prior calendar
6 year, and all of the following for the prior calendar year:

7 (1) Information regarding institutional branch campuses, including addresses and programs
8 offered at each campus; if applicable;

9 (2) Information regarding satellite locations, including addresses and with which
10 campus(es) the satellite location is affiliated, if applicable;

11 (3) Name of institutional accreditors for each branch and satellite campus, and for each
12 such campus at which any programs have programmatic accreditation, the names of the
13 programmatic accreditor for each such program, and effective dates for each programmatic
14 accreditation, if applicable;

15 (4) Information regarding participation in state and federal student loan and grant
16 programs, including the total amount of funding received from each source for those students
17 enrolled in an approved California school regardless of their state of residency;

18 (5) Information regarding participation in other public funding programs, including the
19 amount of funding received from each public funding source; for purposes of this section, public
20 funding is any financial aid paid on behalf of students or directly to an institution from any public
21 source, such as the Workforce Investment Act, any veterans' financial aid programs pursuant to
22 Section 21.4253 of Title 38 of the Code of Federal Regulations or any other financial aid program
23 that is intended to help students pay education-related expenses, including tuition, fees, room and
24 board, and supplies for education; and

25 (6) The total percentage of institutional income that comes from any public funding
26 sources.

27 (b) In addition to the information required by section 94934 and this section provided
28 under penalty of perjury, the institution shall have annual financial statements prepared for the

1 institution's prior fiscal year and signed under penalty of perjury, and shall submit a hard copy
2 under separate cover of such statements in conjunction with its annual report. The form, content
3 and mode of preparation of financial statements shall comply with Section 74115 of this Division.
4 The Bureau may request that the institution immediately make available for inspection to a
5 representative of the Bureau, these financial statements at the offices of the institution.

6 (c) An institution shall file its annual report by December 1st. The Bureau may extend the
7 period for filing if the institution demonstrates evidence of substantial need but in no case longer
8 than 60 days. The institution shall not change the date of its filing its annual report because of a
9 change in the fiscal year without the Bureau's approval.

10 (d) The annual report shall be electronically filed by submitting the information required
11 by section 94934 of the Code and this section via the online form provided on the Bureau's
12 website, electronically attaching, as directed, the School Performance Fact Sheet, the enrollment
13 agreement, and the school catalog.

14 13. Title 5, CCR, section 76130 states:

15 (a) (1) A qualifying institution shall collect the assessment from each student in an
16 educational program at the time it collects the first payment from or on behalf of the student at or
17 after enrollment. The assessment shall be collected for the entire period of enrollment, regardless
18 of whether the student pays the institutional charges in increments.

19 (2) The assessment to be collected from a re-enrolling student shall be limited to any
20 amount that is due after crediting any prior assessment amount paid by the student. The
21 enrollment agreement shall clearly identify any prior STRF assessment paid by the student.

22 (b) A qualifying institution shall complete the STRF Assessment report and remit it with
23 the STRF assessments collected from students to be received by the Bureau no later than the last
24 day of the month following the close of the quarter as follows:

- 25 (1) April 30 for the first quarter,
26 (2) July 31 for the second quarter,
27 (3) October 31 for the third quarter, and
28 (4) January 31 for the fourth quarter.

1 If the due date falls on a Saturday, Sunday, or State or federal holiday, the due date shall be
2 extended to the next regular business day for the Bureau.

3 (c) The STRF Assessment report shall contain the following information:

4 (1) Total number of students who signed enrollment agreements for educational programs
5 during the reporting period; and

6 (2) Total number of students eligible for STRF who signed enrollment agreements for
7 educational programs during the reporting period; and

8 (3) The total number of students who signed their enrollment agreement during the
9 reporting period, were eligible for STRF, and who made their first payment during the reporting
10 period; and

11 (4) The total number of students who signed their enrollment agreement in a previous
12 reporting period, were eligible for STRF, and who made their first payment during the current
13 reporting period; and

14 (5) Total amount of institutional charges after rounding each student's institutional charges
15 to the nearest \$ 1,000, for all eligible STRF students whose STRF assessment was collected in the
16 reporting period; and

17 (6) Current contact telephone number of the person preparing the form; and

18 (7) A declaration dated and signed under penalty of perjury by the person preparing the
19 form that the form and any attachments are true and correct.

20 (d) In the event of a school closure, any collected assessments shall be remitted to the
21 Bureau within seven days following the cessation of instruction.

22 (e) Submission of all prior reports and assessments required by this section is a condition
23 of renewal.

24 COST RECOVERY

25 14. Section 125.3 of the Code provides, in pertinent part, that the Bureau may request the
26 administrative law judge to direct a licentiate found to have committed a violation or violations of
27 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and
28 enforcement of the case, with failure of the licentiate to comply subjecting the license to not being

1 renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be
2 included in a stipulated settlement.

3 **FIRST CAUSE FOR DISCIPLINE**

4 (Failure to Meet Minimum Operating Standards – Annual Reports)

5 15. Respondent's Approval to Operate is subject to revocation under Education Code
6 section 94891 subdivision (b), 94934 subdivision (a) (1)-(9) and 5, CCR section 74110 (a)-(d) in
7 that the Respondent failed to submit its Annual Report for the year 2017.

8 **SECOND CAUSE FOR DISCIPLINE**

9 (Failure to Meet Minimum Operating Standards – Annual Fees)

10 16. Respondent's Approval to Operate is subject to revocation under Education Code
11 section 94930.5 subdivision (d)(1)(A)(g) and Title 5, CCR section 74006, in that Respondent
12 failed to pay its annual fees and the delinquency fees for the year 2018.

13 **THIRD CAUSE FOR DISCIPLINE**

14 (Failure to Meet Minimum Operating Standards – STRF Assessment Forms)

15 17. Respondent's Approval to Operate is subject to revocation under Education Code
16 section 94891 subdivision (b), and 5, CCR section 76130 subdivision (b) in that the Respondent
17 did not submit its STRF assessment forms to the Bureau for the period: 4th Quarter of 2014, 4th
18 Quarter of 2017, and 1st through 4th Quarters of 2018.

19 **DISCIPLINE CONSIDERATIONS**

20 To determine the degree of discipline, Complainant alleges that:

21 18. On or about May 17, 2018, Respondent was issued Citation number 1718043 for
22 failing to file its 2015 and 2016 Annual Reports. The Institution also failed to submit its STRF
23 assessments for the 4th Quarter of 2015, 1st and 4th Quarter of 2016, and 1st Quarter of 2017.
24 Additionally, the Institution failed to pay its 2017 Annual Fee (including delinquent fee). The
25 Citation ordered the Institution to submit its delinquent Annual Report, STRF, Annual Fees and
26 pay a fine assessment of \$5050.00. To date, the Institution has failed to abate the Citation and pay
27 the fine.

