



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

To: Kresha Crawford
ABC School of Barbering
8828 Imperial Hwy
Downey, CA 90242

INSTITUTION CODE: 1909481
CITATION NUMBER: 1314011
CITATION ISSUANCE/SERVICE DATE: 6/13/2014
DUE DATE: 7/13/2014
FINE AMOUNT: \$ 4805.00

ORDER OF ABATEMENT INCLUDED: YES

Yvette Johnson 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 Kresha Crawford, Owner of ABC School of Barbering located at 8828 Imperial Hwy, Downey CA 90242 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.

VIOLATION

Table with 2 columns: # and description of violation. Row 1: #1, Violation: CEC 94900 (b)(3) - Required Student Records. Description: (b) An institution shall maintain, for each student granted a degree or certificate by that institution, permanent records of all of the following: (3) The grades earned by the student in each of those courses. Student records do not contain required documentation (i.e. grades earned).

	<p><u>Order of Abatement:</u> The Bureau orders that the institution provide detailed information of how the institution will maintain student records in compliance with CEC 94900 and submit evidence of compliance to the Bureau.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$501.00</u></p>
2.	<p><u>Violation:</u> CEC 94900.5(c) - Required Institutional Records <i>"An institution shall maintain, for a period of not less than five years, at its principal place of business in this state, complete and accurate records of all of the following information: (c) Any other records required to be maintained by this chapter, including, but not limited to, records maintained pursuant to Article 16 (commencing with Section 94928)."</i></p> <p>Institutional records were not properly stored / filed. Files were in the owner's truck of her car.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution provide detailed information and proof of how the institution will maintain student records in compliance with CEC 94900.5 in in the future and submit it to the Bureau.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$501.00.</u></p>
3.	<p><u>Violation:</u> CEC 94911(g)(1)(2) - Minimum Requirements for Enrollment Agreement <i>"An enrollment agreement shall include, at a minimum, all of the following: g) A statement specifying that, if the student is eligible for a loan guaranteed by the federal or state government and the student defaults on the loan, both of the following may occur: (1) The federal or state government or a loan guarantee agency may take action against the student, including applying any income tax refund to which the person is entitled to reduce the balance owed on the loan. (2) The student may not be eligible for any other federal student financial aid at another institution or other government assistance until the loan is repaid."</i></p> <p>The Enrollment Agreement does not list the default loan statement specifying the information listed according to CEC 94911 (g)(1)(2).</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution add to its Enrollment Agreement the loan disclosure listed above in accordance with CEC 94911 (g)(1)(2).</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$50.00</u></p>

4.	<p>Violation: CEC 94911(h) - Minimum Requirements for Enrollment Agreement <i>"An enrollment agreement shall include, at a minimum, all of the following: (h) The transferability disclosure that is required to be included in the school catalog, as specified in paragraph (15) of subdivision (a) of Section 94909."</i></p> <p>The Enrollment Agreement does not list the transferability disclosure.</p> <p>Order of Abatement: The Bureau orders that the institution add the transferability disclosure to their enrollment agreement as specified in paragraph (15) of subdivision (a) of Section 94909.</p> <p>Assessment of Fine The fine for this violation is <u>\$50.00</u></p>
5.	<p>Violation: 94911(j)(1)(2) - Minimum Requirements for Enrollment Agreement <i>"An enrollment agreement shall include, at a minimum, all of the following: (j) The following statements: (1) "Any questions a student may have regarding this enrollment agreement that have not been satisfactorily answered by the institution may be directed to the Bureau for Private Postsecondary Education at (address), Sacramento, CA (ZIP Code), (Internet Web site address), (telephone and fax numbers)." (2) "A student or any member of the public may file a complaint about this institution with the Bureau for Private Postsecondary Education by calling (toll-free telephone number) or by completing a complaint form, which can be obtained on the bureau's Internet Web site (Internet Web site address)."</i></p> <p>The Enrollment Agreement does not list all of the Bureau's current contact information including suite number; telephone number and fax number (see CEC 94911(j) (1)). It also does not list the disclosure statement regarding filing complaints with the Bureau according to the minimum requirements for Enrollment Agreement 94911 (j) (2).</p> <p>Order of Abatement: The Bureau orders that the institution add the statements listed to the enrollment agreement with the Bureau's current information as follows verbatim: "Any questions a student may have regarding this enrollment agreement that have not been satisfactorily answered by the institution may be directed to the Bureau for Private Postsecondary Education at 2535 Capitol Oaks Drive Suite 400, Sacramento, CA 95833, http://www.bppe.ca.gov/, telephone (916) 431-6959 and fax (916) 263-1897." and "A student or any member of the public may file a complaint about this institution with the Bureau for Private Postsecondary Education by calling toll-free (888) 370-7589 or by completing a complaint form, which can be obtained on the bureau's Internet Web site http://www.bppe.ca.gov/".</p>

	<p><u>Assessment of Fine</u> The fine for this violation is <u>\$50.00</u></p>
6.	<p><u>Violation:</u> 94911 (k) - Minimum Requirements for Enrollment Agreement <i>"An enrollment agreement shall include, at a minimum, all of the following: (k) The following statement above the space for the student's signature: "I understand that this is a legally binding contract. My signature below certifies that I have read, understood, and agreed to my rights and responsibilities, and that the institution's cancellation and refund policies have been clearly explained to me."</i></p> <p>The Enrollment Agreement does not state above signature line the "legally binding" verbiage as described above verbatim (ex: "I understand that this is a legally binding contract" ...)</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution add the statement described above to the Enrollment Agreement. Submit evidence of the updated Enrollment Agreement to the Bureau.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$50.00</u></p>
7.	<p><u>Violation:</u> CCR 71800(b) - Enrollment Agreement <i>"In addition to the requirements of section 94911 of the Code, an institution shall provide to each student an enrollment agreement that contains at the least the following information: (b) Period covered by the enrollment agreement."</i></p> <p>The Enrollment Agreement does not list the periods covered by the Enrollment Agreement.</p> <p><u>Order of Abatement:</u> The Bureau order that the institution lists the periods covered by the Enrollment Agreement on the Enrollment Agreement. Submit evidence of the updated Enrollment Agreement to the Bureau.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$50.00</u></p>
8.	<p><u>Violation:</u> 71920(b)(1)(A) - Student Records <i>"(b) In addition to the requirements of section 94900, the file shall contain all of the following pertinent student records: (1) Written records and transcripts of any formal education or training, testing, or experience that are relevant to the student's qualifications for admission to the institution or the institution's award of credit or acceptance of transfer credits including the following: (A) Verification of high school completion or equivalency or other documentation establishing the student's ability to do college level work, such as successful completion of an ability-to-benefit test;"</i></p>

	<p>The student files did not contain a High School Diploma or ABT test.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution provide detailed information of how the institution will maintain student records in the future in compliance with CCR 71920(b)(1)(A) and submit evidence of compliance to the Bureau.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$501.00</u></p>
9.	<p><u>Violation:</u> 71930(d) - Maintenance of Records <i>"(d) The institution shall maintain a second set of all academic and financial records required by the Act and this chapter at a different location unless the original records, including records stored pursuant to subdivision (b) of this section, are maintained in a manner secure from damage or loss. An acceptable manner of storage under this subsection would include fire resistant cabinets.</i></p> <p>The student files were located in the truck of the school owner's car.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution provide detailed information and proof of how the institution will maintain student records in the future in compliance with CCR 71930(d) and submit evidence to the Bureau.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$501.00</u></p>
10	<p><u>Violation:</u> 76120(a) - Amount of STRF Assessment <i>(a) Each qualifying institution shall collect an assessment of fifty cents (\$.50) per one thousand dollars (\$1,000) of institutional charges, rounded to the nearest thousand dollars, from each student in an educational program who is a California resident or is enrolled in a residency program. For institutional charges of one thousand dollars (\$1,000) or less, the assessment is fifty cents (\$.50).</i></p> <p>The institution has failed to collect STRF from each qualifying student.</p> <p><u>Order of Abatement:</u> The Bureau orders that the institution collect STRF payments from each qualifying student assessing the appropriate amount. Provide detailed information on how the institution will maintain record of these payments and submit to the Bureau.</p> <p><u>Assessment of Fine</u> The fine for this violation is <u>\$2501.00</u></p>
11	<p><u>Violation:</u></p>

76215(a)(b) - Student Tuition Recovery Fund Disclosure

(a) A qualifying institution shall include the following statement on both its enrollment agreement for an educational program and its current schedule of student charges:

"You must pay the state-imposed assessment for the Student Tuition Recovery Fund (STRF) if all of the following applies to you:

1. You are a student in an educational program, who is a California resident, or are enrolled in a residency program, and prepay all or part of your tuition either by cash, guaranteed student loans, or personal loans, and

2. Your total charges are not paid by any third-party payer such as an employer, government program or other payer unless you have a separate agreement to repay the third party.

You are not eligible for protection from the STRF and you are not required to pay the STRF assessment, if either of the following applies:

1. You are not a California resident, or are not enrolled in a residency program, or

2. Your total charges are paid by a third party, such as an employer, government program or other payer, and you have no separate agreement to repay the third party."

(b) In addition to the statement described under subdivision (a) of this section, a qualifying institution shall include the following statement on its current schedule of student charges:

"The State of California created the Student Tuition Recovery Fund (STRF) to relieve or mitigate economic losses suffered by students in educational programs who are California residents, or are enrolled in a residency programs attending certain schools regulated by the Bureau for Private Postsecondary and Vocational Education.

You may be eligible for STRF if you are a California resident or are enrolled in a residency program, prepaid tuition, paid the STRF assessment, and suffered an economic loss as a result of any of the following:

1. The school closed before the course of instruction was completed.

2. The school's failure to pay refunds or charges on behalf of a student to a third party for license fees or any other purpose, or to provide equipment or materials for which a charge was collected within 180 days before the closure of the school.

3. The school's failure to pay or reimburse loan proceeds under a federally guaranteed student loan program as required by law or to pay or reimburse proceeds received by the school prior to closure in excess of tuition and other costs.

4. There was a material failure to comply with the Act or this Division within 30 days before the school closed or, if the material failure began earlier than 30 days prior to closure, the period determined by the Bureau.

5. An inability after diligent efforts to prosecute, prove, and collect on a judgment against the institution for a violation of the Act."

However, no claim can be paid to any student without a social security number or a taxpayer identification number.

The Enrollment Agreement does not list the STRF disclosure verbatim as listed above.

Order of Abatement:

	<p>The Bureau orders that the STRF disclosure be added to the institutions enrollment agreement. Provide evidence of compliance to the Bureau.</p> <p><u>Assessment of Fine</u> The fine for this violation is \$50.00</p>
	<p>TOTAL ADMINISTRATIVE FINE DUE: \$4805.00</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 **\$4805.00** for the violations described above. **Payment must be made, to the Bureau, within 30 days from the date of service of the Citation.**

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.**

BACKGROUND

On May 4, 2010 the Bureau received a complaint against ABC School of Barbering. As a result of an investigation, the above mentioned violations were found.

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 **July 13, 2014**, 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 13, 2014**. Payment of the administrative fine and evidence of

compliance with the order(s) of abatement shall be due by **July 13, 2014**. 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:

Renee Campos, 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 Renee Campos, Enforcement Analyst, at (916) 431-6940 or Renee.Campos@dca.ca.gov.



Yvette Johnson
Enforcement Chief

June 13, 2014
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 – Wavier of Appeal
- Declaration of Service by Certified and First Class Mail