- 3. On or about September 17, 2012, the Bureau issued a letter denying Respondent's application for an Approval to Operate an Institution Non Accredited. On or about October 12, 2012, Respondent appealed the Bureau's denial of his application and requested a hearing.
- 4. On or about March 26, 2013, an employee of the Department of Justice, served by Certified and First Class Mail a copy of the Statement of Issues No. 998528, Statement to Respondent, Respondent/Applicant's Notice of Designation of Counsel; Respondent/Applicant's Notice of Withdrawal of Request for Hearing, Request for Discovery, and Government Code sections 11507.5, 11507.6, and 11507.7 to Respondent's address on the application form, which was and is 4420 Hotel Circle Court, Suite 210, San Diego, CA 92108. A copy of the Statement of Issues is attached as exhibit A, and is incorporated herein by reference.
- 5. Service of the Statement of Issues was effective as a matter of law under the provisions of Government Code section 11505, subdivision (c).
- 6. On or about October 12, 2012, Respondent appealed the denial of his application and requested a hearing in this action. A Notice of Hearing was served by mail at Respondent's address on the application and it informed him that an administrative hearing in this matter was scheduled for March 5-6, 2014. The Notice of Hearing was served on March 26, 2013. Respondent failed to appear at that hearing.
 - 7. California Government Code section 11520 states, in pertinent part:
 - (a) If the respondent either fails to file a notice of defense or to appear at the hearing, the agency may take action based upon the respondent's express admissions or upon other evidence and affidavits may be used as evidence without any notice to respondent; and where the burden of proof is on the respondent to establish that the respondent is entitled to the agency action sought, the agency may act without taking evidence.
- 8. Pursuant to its authority under Government Code section 11520, the Director finds
 Respondent is in default for failing to appear at the hearing. The Director will take action without
 further hearing and based on the relevant evidence contained in the Default Decision Evidence
 Packet in this matter, as well as taking official notice of all the investigatory reports, exhibits and
 statements contained therein on file at the Bureau's offices regarding the allegations contained in

Statement of Issues No. 998528, and Respondent's failure to establish entitlement to issuance of an approval to operate Ola Grimsby Institute.

DETERMINATION OF ISSUES

- 1. Based on the foregoing findings of fact, Respondent Ola Grimsby has subjected his application for an Approval to Operate an Institution Non Accredited to denial.
- 2. Service of Statement of Issues No. 998528 and related documents was proper and in accordance with the law. Service of the Notice of Hearing was proper and in accordance with the law.
 - 3. The agency has jurisdiction to adjudicate this case by default.
- 4. The Director of the Department of Consumer Affairs is authorized to deny Respondent's application for licensure based upon the following violations alleged in the Statement of Issues:
- a. Title 5, California Code of Regulations (hereinafter "CCR"), sections 71100 and 71400.5(a) in conjunction with title 5, CCR, section 71140, subdivision (a), for failure to include an organization chart that shows the governance and administrative structure of the institution and the relationship between faculty and administrative positions;
- b. Title 5, CCR, sections 71100 and 71400.5(a) in conjunction with title 5, CCR, section 71140, subdivision (b), for failure to provide a description of the job duties and responsibilities of each administrative and faculty position;
- c. Title 5, CCR, sections 71100 and 71400.5(a) in conjunction with Education Code (hereinafter "Code") section 94911 and title 5, CCR, sections 71180 and 71800, for failure to provide a compliant Enrollment Agreement;
- d. Title 5, CCR, sections 71100 and 71400.5(a) in conjunction with title 5, CCR, section 71200, for failure to provide corrected advertising and other statements disseminated to the public that the programs were not approved by Bureau;
- e. Title 5, CCR, sections 71100 and 71400.5(a) in conjunction with title 5, CCR, sections 71260 and 71735, for failure to provide a description of the facilities, the name and